NORTH-CHINA DAILY NEWS

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JULY

7 Rotary Club, Metropole Hotel, 12.30
7 Theosophical Society Open mtg., 75 Jessfield Road, public invited, 6
14 Rotary Club, Metropole Hotel, 12.30
21 Rotary Club, Metropole Hotel, 12.30
28 Rotary Club, Metropole Hotel, 12.30

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HOW MUCH LONGER CAN JAPAN HOLD OUT?

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Dawn of a New China in the West .....By Hin Wong
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Possibility for Russo-Japan War .....By C. Y. Hsieh
How Major-Gen. Ishiharada Blundered .....An Editorial
How Japan's Appetite for Islands has stirred the Powers ..... An Editorial
A Record of a Full Year of Fighting .....C. S. H.
The Yangtsze Battle—Japan's Fading Hopes for Quick Victory—War Time Restrictions in Japan—Significance of the Conflict in the Far East—China's War Finance—Japan's War Economy—Possible British Mediation and a Forecast by Lin Yu-tang.

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LETTERS TO THE EDITOR

Salary Cuts:

Shanghai Foreign Employees

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—The Shanghai foreign employee question is a very serious one. Without any strong organizations to back them, without any contracts with their respective firms and most of them with salaries barely covering their "keep soul in body" expenses, Shanghai foreign employees are fully at the mercies of their respective firms. In this super-hard time foreign employers ought to have met to discuss about the best methods to be adopted, but we have not heard of such meetings. Thus, we have different ways used, many of which are bad and utterly unfair to the employees on the lists more down. For a foreign firm this time to throw the small-salary-foreign employee on the street ought to be the last thing to do, if it is not a question of going out of business for the firm itself. An equal percentage cut for all is an ugly and old fashioned method. A firm director with $2000 per mensem has nothing to worry with his salary cut in half, but how can the firm's foreign watchman get along with twenty dollars instead of forty? As a rule, the less paid employees in every firm ought not to be treated with salary cuts before all other means to lower the expenses: no inventory increases, cutting of salaries of the high hats in the company, etc., etc., have first been done. Would it also not be a good and farsighted policy for those foreign firms, who see that their "ship" is going on the rocks, to go down with the colours flying: finish earlier in order to provide hard cash for their employees for a few months ahead? No bright stars are visible on the Shanghai foreign (not Japanese) sky. The number of the pessimists are increasing. It is a matter of honour for every foreign business management in Shanghai to heed, not to increase the burdens of the small-salary employees *more* than those of the bigger in the concern.

FOREIGN BUSINESSMAN.

Shanghai, July 2.

Nanking Outrage:

Responsibility in 1927

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I have been much interested in recent correspondence in your paper concerning the responsibility of Gen. Chiang Kai-shek for the Nanking Incident on March 24, 1927. As I stated in a previous letter, many of us who suffered on that day, and were of course keenly interested in everything published at the time on the subject, gained the impression that the whole affair was planned by radical elements in Gen. Chiang's army to discredit him with the foreign powers and bring about his downfall.

Morse and MacNair's statement in "Far Eastern International Relations" states facts as far as it goes, but I doubt very much if it tells the whole story. I have no desire to whitewash Gen. Chiang, but an understanding of the Nanking Incident cannot be reached without a study of the conflict between the Communists and Kuomintang at that time. I have not had time to make a comprehensive study and anything I have to say will not prove Gen. Chiang innocent. Neither do the statements of ANTI-HUMBUG on June 21 or AJAX on June 25 prove him guilty. The whole question would have to be subjected to impartial, comprehensive, historical research before any fair conclusion could be reached.

However in support of my contention that many people have always held the impression that the Nanking Incident was planned by radical elements trying to discredit Gen. Chiang, I wish to quote the following paragraph from the article on Gen. Chiang in "Who's Who in China" published by the "China Weekly Review:"

> In March, 1927 Sun's forces and his Fengtien allies were defeated and Shanghai was occupied. Shortly afterwards when Nanking was occupied, local riff-raff, instigated by Communists then active in the Nationalist Government, were responsible for the so-colled Nanking Indent, consisting of an attack on foreign consular officials and missionaries. Gen. Chiang immediately disavowed the action of the Communists and assumed complete charge of affairs, declaring that the National Government intended to deal fairly and sincerely with the Powers in the event the Powers did not oppose the Nationalist Movement.
>
> Gen. Chiang then came to the conclusion that the Nationalist Movement must divorce itself from the Communists, then led by Michael Borodin and other Soviet Russian advisers who had been brought into the movement at Canton. Borodin and his associates were denounced and steps taken for the establishment of a separate government at Nanking.

However the above statement is not entirely fair because it places responsibility only on local riff-raff instigated by Communists. Hunanese soldiers in the Sixth Army under Gen. Cheng Chien also committed many crimes. This is another illustration of how hard it is to get the whole truth stated accurately.

Much light is cast on the struggle between Gen. Chiang and the Communists by Gen. Chiang's "Manifesto to the People" in April, 1927 and his "Declaration to Kuomintang Members" in April, 1927. English translations of these documents were printed by the Commercial Press. Some quotations selected here and there from these publications run as follows:

> However, the Communists did all they could to estrange our military men and obstruct our military movements. Furthermore, in assuming the name of the military committee they enticed our soldiers to their side.
>
> The violence and disturbances conducted by the Communists are liable to draw the powers concerned into a united front against us, and as a natural consequence, China would have to come under the power of a special foreign organization. It is the Communists who are to blame for the violation of the government policy in foreign affairs.
>
> It is the cardinal policy of the Communists to ruin the Kuomintang in an under-handed manner for the extension of their influence.
>
> In short, they (the Communists) have deceitfully assumed our name in order to commit every possible crime and they, being the tools of a special foreign organization, have made use of mobs and ruffians, and have put into practice their horrible politics.
>
> As the success of the revolution draws near they feel the more that the Kuomintang is their bitter enemy instead of the militarists, and so they concentrate all their efforts against us.

Lack of space prohibits quoting further from these documents which throw much light on the struggles within the Nationalist Movement. A comprehensive study of these struggles is necessary before we can fairly judge Gen. Chiang concerning his responsibility for the Nanking Incident.

ONE WHO WAS IN NANKING ON MARCH 24, 1927.

Shanghai, July 2.

Who Are Guests?:

A Disquieting Revelation

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—The letter of C.K.H. reflects the disquieting truth that foreigners are unwelcome in China, and that the Chinese at heart would gladly see all foreigners out of the country, so that they may once again resume their former splendid isolation.

The International Settlement of Shanghai and other foreign concessions in China originated from the fact that on the one hand foreigners, by reason of different habits and customs, could not live under the same conditions as the Chinese, and on the other hand, the Chinese themselves, for identical reasons, could not contemplate the intrusion of foreigners into their midst.

The only solution was to assign certain areas for the residence of foreigners, and these areas came under specially-defined control and regulations that received the agreement of the Chinese Government. It is true that some of these special areas or concessions were wrested from the Chinese by force and against their wishes, as pointed out by C.K.H., but there is another side to that story.

In the course of time, as a result of honest and efficient administration, these special foreign areas grew and flourished, and Chinese merchants, artisans and workers flocked into them to share in the prosperity. Also in the periodical troublous times that have disturbed the rest of the country, thousands of Chinese have found in these foreign concessions sure havens of refuge.

As regards particularly the International Settlement of Shanghai, it is administered by a Municipal Council, and not by the Chinese Government or authorities. Both foreigners and Chinese enjoy the same amenities, and both exercise practically the same rights and privileges, and neither one can regard the other as "guests" or "aliens."

It is equally wrong and foolish for C.K.H. to compare foreigners to "squatters." A "squatter" is a person who settles on new, especially public land without title. In no sense can foreigners in China be regarded as "squatters." They have paid for every inch of land which they own, and wherever they have settled, have improved the amenities of communal life in a manner that should be an inspiration and example to the Chinese themselves.

H.A.T.

Shanghai, July 1.

Gratitude:

A Chinese Rebuke

To the Editor of the
"NORTH-CHINA DAILY NEWS"

SIR,—I have never written any line to fill the Correspondence column in any paper, so I never read these articles. However, I read your editorials nearly every day. In today's issue, I am surprised to see your long essay on a topic befitting only the moral preachings for schoolboys. I then searched the latest papers for the relative letters and found the incentive for writing this. Nevertheless, I don't like to see the writer to partake such a worthless squable. Both of us are human, so more or less selfish. Foreigners do not come to Shanghai merely to help and protect Chinese, and Chinese do not welcome the former on account of pure hospitality and generosity. We are mutually benefitted by the situation even at present. Should we go to academic details, we would be dragged again into a long war. So for heaven's sake, please stop this meaningless business and reserve some valuable speace for useful information. As an example, Mr. A. T. K. wants to know the lunar calendar date for July 5, 1918, I like to inform him that it was the 27th of the 5th Moon, the seventh year of the Republic of China.

C. T. H.

Shanghai, July 2.

PRINCESS Pa-Yun-Ying, widow of the late ruler of the Wu League of Inner Mongolia, Prince Ngoh, has sent a telegram to the Chinese military authorities in Shansi reporting that she has led Mongolian troops under her command to resist the Japanese and asking for the supply of ammunition and war materials, says a special message to the "Sin Wan Pao." The said authorities, it is reported, have replied to the princess, expressing their admiration for her courage and loyalty and promising material assistance.

Beginning of Christian Church

Sermon Preached in Holy Trinity Cathedral By Dean Trivett

TEXT:—*"For ye see your calling brethren, how that not many wise men after the flesh, not many mighty, not many noble, are called. but God hath chosen the foolish things of the world to confound the wise, and God hath chosen the weak things of the world to confound the things which are mighty."* 1. Cor, 1. 26-27.

IT would hardly be possible to conceive more insignificant and unpromising beginnings than the beginnings of the Christian Church. It may be truly said that of all the visible forces of the world, there was not one arrayed on its side. Its adherents were for the most part slaves, domestic servants, fishermen, agricultural labourers, and humble citizens. Hardly a conspicuous name was found among them. If here or there was a well-born lady, or official of the Empire, they are pointed out to us as singular exceptions. With the exception of St. Paul, the leaders, the Apostles themselves, were ignorant and unlearned men. They had neither wealth nor social position, wisdom or political influence. Nor were they many in number. And against them was massed an opposition, not only formidable, but apparently overwhelming.

Never was a more unusual combat. Never apparently, a more forlorn hope. And yet you know how the battle went. In three centuries the cross had been exalted above the Roman eagles. The throne of the Caesars had accepted the rule of the crucified Nazarene. The idolatrous temples had been left to decay, or had been converted into Christian sanctuaries. It was as St. Paul had written God had chosen the weak and the foolish and the despised things of the world to confound the wise and noble and mighty. Evidently there was something at work in the world that is stronger and more effective than big battalions, more irresistible than imposing mass and numbers, far mightier than cleverness and wisdom. A power which is still present in the world today, and which is manifest where the spirit of God works in the hearts of men. God does not need the great and strong things of the world to be his agents. God works by his Spirit. God works by his Spirit in the simple human emotions of love and pity, which sway the world more than all its rulers and armies. He arouses those sentiments and preceptions which guide and impel the onward march of humanity more than all the gifts of intellect and brilliance.

Intellectual Forces

We so constantly over-rate the intellectual forces of the world, and assume for them far too prominent a place in the shaping of our destinies. They have a tremendous place, granted, but it is not the supreme place. I do not for a moment suggest that God may not and does not use things. He is a poor student of history, and human experience, who would set science and knowledge over against Christianity. I know it has been claimed by some that the greatest intellects repudiate the claims of Jesus that science and faith are antagonistic, but this is not true. Many great leaders and thinkers in every department are, and have been, intensely loyal to the revealed truths of Christianity. Statesmen, poets, philosophers, artists,—men in every walk of life,—leaders in thought and deed, have been loyal and devoted Christians. But even if that were not so, the great movements of God's kingdom would not be stayed in their course. Inspired and empowered by his spirit it would go on with, or without, the intellectual forces; yes, and inspite of them. A study of history bears this out. Indeed one is amazed as one turns the pages of history to see how often great and gifted minds have stood aloof from those movements which have had to do with the real progress of humanity.

Moral Forces

To go back to the days which immediately precede Christianity, that world offers striking illustration of this argument. The average intellect of the citizen of Greece and Rome was very high, but never was there more utter selfishness and brutal disregard of human rights; never more crushing slavery and degradation and misery among the bulk of men. Nor does a consideration of the events of the last hundred years or so, disprove the contention. It is something more than sheer intellect in men and women that has fought for the greatest reforms, that has urged the brotherhood of men and equality of opportunity for all. Intellect alone would say that it is right to let the strong survive and the weak go unhelped to the wall. It was not wisdom that fought for the abolition of the slave trade, for the reforms of prison, for the protection of children, for the uplift of women, the spread of foreign missions. It is not the intellectual forces that have given or are still giving, the bulk of men justice and a larger measure of happiness. No. The moral forces have and are doing these thing—the spirit of unselfish service and self-sacrifice which is the antithesis of worldly wisdom, the spirit of the Cross which operates in a thousand ways, where it is not acknowledged; that teaching of the Fatherhood of God and the brotherhood of man, those great truths which are the glory of Christianity, and which work in the hearts of men.

It is the same when we turn from the page of history to study the individual lives of men and women. There are other and more powerful forces at work than those of mind and material things, forces that can and do accomplish the seemingly impossible. Study the records of those who minister in the name of Christ amid the broken earthenware of humanity. They will tell you of cases of men and women, slaves of evil habits, of drink and every conceivable vice, bound so securely that humanly speaking no power could break their chains. All that human skill could do had been done, but without avail, but the Cross of Christ, the foolishness of preaching, has availed to break the bonds asunder and set free those who have been so long prisoners. Lives dead and useless have been filled with new life and power and usefulness.

Power of the Cross

One word, and I close. Am I speaking this evening to someone who is conscious that he or she is held fast in chains of some evil habit, some jaundiced outlook resulting in lack of peace and in unhappiness, rendering you useless to God in His work of redeeming humanity from the ills which afflict the world? You are not content to remain as you are. You have tried every known method to set you free. Like the man in the parable, you have had your days when you have risen up and cast out the devil and cleansed your soul, but it was not for long. You have enlisted science and intellect without avail. But have you tried the power of the Cross of Christ? With repentance and simple faith, have you sought forgiveness and strength? Have you accepted the promises of this Book as meaning just what they say? It may seem foolishness in the face of powerful temptations, of all the misery and disappointments of life, but remember that the foolishness of God is wiser than the wisdom of men, and His weakness stronger. There is nothing too strong for Him, no life that cannot be made useful. He can take your life, with all its record of failure, with all its weakness and unreliableness, and use you mightily to serve and heal the world's sufferings.

Snapshot Guild

This is a season for taking stock in many businesses. It is also a good time for the amateur cameraman, to take stock of himself and his work.

Are you improving? Are you taking better pictures now than you were six months or a year ago? And if not, why not?

If, perchance, you aren't improving as rapidly and steadily as you think you should, I'll venture this is the reason—you aren't studying your mistakes.

The first spare hour you have, why don't you collect all your prints and single out those that are bad—the portraits made in harsh sunlight with no provision for the shaded side of the face, the landscapes with dead foregrounds and no "framing" of trees or foliage, the prints that show blank white skies, without clouds or tone.

Care in "Shooting" Summer Subjects

Recall the scene and then write down on the back of each print what you should have done to make the picture good.

If you have a blank sky or very thin clouds, note down that you should have used a filter.

If a portrait has no detail on the shady side, note that you should have used a reflector near the face on that side, even if it was only a sheet of cardboard or a white picnic cloth spread in the sun.

If a landscape is dead, analyze it and recall the scene. Maybe by backing up a little or moving to one side, you could have included a gracefully-curving tree branch fairly close to the camera, to give the picture depth and a natural frame. Maybe by a change of position you could have included a path or a hedge that would lead the eye gradually across and into the picture. Write on the back of the print what you should have done.

Maybe you have child pictures in which backgrounds are mottled and confused, sticking up in meaningless fashion behind the subject. Another background, a change of viewpoint, might have made each picture perfect. Write down what you should have done.

After you have noted these mistakes, don't just stick the prints away and forget them. Use them as a reference file. Take a few out on your picture-making jaunts and be mindful of them when new picture chances arise.

Learn what you do wrong—decide how to do it right—think before you shoot. Here is one of the secrets of picture-making success.

Sixty Years Ago

FROM THE "NORTH-CHINA DAILY NEWS," OF JULY 3, 1878

It is to be regretted that the first announced excursion this season to Pootoo should have fallen through, but the collapse is pretty generally attributed in the Settlement to the increased charge for the passage made by the promoters—$30 per return ticket does seem a high figure, in the face of other necessary expenditure on board the ship and it is believed if the charge is reduced to the original $20, excursions advertised in future will be correspondingly patronized.

* * *

Our readers will doubtless be glad to hear that the first Garden concert of the Wind Instrument Society is to be given this evening, under the conductorship of M. Remusat. The Society, including amateurs and paid members, musters 23 or 24 members.

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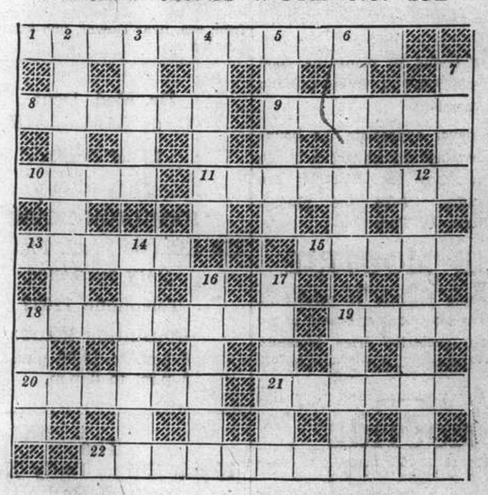

ACROSS

1 Without a suspicion of deceit
8 Airless
9 Name it (anagram)
10 Victim
11 Ten mails give rise to attacks of indisposition
13 Strange that a sloop can go astern in such restricted stretches of water
15 This slater was once in the news
18 Though unknown to you he becomes a murderer about fifty; but he is queerer as he is
19 May mean the price is too high—a plant, in fact
20 Hay is—and so is an ear-trumpet perhaps
21 Two lads for a hoyden?
22 When to bring to bear what's necessary (2 words,)

DOWN

2 Talk the others down, best you can do
3 High, and, in poetry, often squeezed inside
4 Not a professional though he reads rather like a singer
5 Gruel with murder at heart
6 Lips met (anagram)
7 Not so much of it!
12 To alter alter forms rant
14 Not a lucky escape
16 Of one mind, but it sounds like a vice
17 Frenchman with a famous finishing school
19 Answer that turneth away wrath
19 A broken mitre

The solution will be published tomorrow

Necktie Party for Slick Keefer

Abused Wife Instrumental In Bringing Desperate Criminal to Justice

By Hugh B. Cave

(In "Liberty")

And shall I have this sent out, Mr. Morton?"

"No," Slick Keefer said. "I'll take 'em."

The clerk gathered up the twelve coloured shirts, the twelve suits of silk underwear, the nine pairs of striped silk socks, and the eight handmade neckties. Slick Keefer swaggered to a full-length mirror to look himself over.

He looked O. K. That single-breasted silver-gray suit was some shakes. The $22.50 shoes had class. He looked swell.

They were waiting for him at the house: Lady-face Fletcher, Machine-gun Latham, and Joe DiStasio. His entrance interrupted a game of high-low-jack.

"Where's Rose?" Keefer snapped.

"Upstairs."

"I told you to keep an eye on her!"

"We are, ain't we? The stairs start here, an' there ain't no phone up-stairs. A vacant lot on each side an' . . ."

Keefer reached over the shoulder of Joe DiStasio, took two cards off the table and tore them. "While you're sittin' here, she could raise a window and holler."

"Aw, she wouldn't do that. She's your wife, ain't she?"

"She's my wife and she's fed up. Give her a chance and every cop in the world will be walkin' in here."

Plastic Surgery

"So what? After what that doc done to your face in St. Louis, no cop would . . ."

"They know my record." Keefer snarled, "and that's enough."

"She wouldn't, Slick. She knows what'd happen to her."

"Yeah. Maybe she has a pretty fair idea what is goin' to happen to her."

"What do you mean, Sleek? You mean shesa not go with us nexa week to Chicago?"

"You called it."

"Hey! She's your wife!"

"After Friday night she won't be nobody's wife. We're takin' a little trip up through the mountains, the four of us, and she ain't comin' back."

Keefer slammed the door behind him on his way upstairs.

She was lying on the bed. She didn't turn her head to look at him. Not right away. When she did, her face wore no expression. She was young, darkly pretty, but her eyes were old with hate.

"Some more new clothes, huh?"

"Yeah." Slick studied himself in a mirror. "There's class in this outfit, if I do say so. Well . . . ain't there?"

"If you think so."

"Whaddaya mean by that?"

"You going out tonight?"

"Sure I'm goin' out tonight. Whaddaya mean—if I think so?"

She shrugged, picked up a square of blue silk which had half a design embroidered on it. She jabbed once or twice with the needle, then looked at him, because he was still glaring.

"Your tie shrieks."

"Whaddaya mean, it shrieks? It set me back three bucks!"

"With that suit you should wear a gray tie with some white or silver in it."

Poked with the Needle

She poked with the needle again.

"Listen," he said. "It's bad enough I married a hopeless dame like you in the first place, without the boys have to know you sit up here makin' fancy handkerchiefs and a lot of junk like that."

"They don't know what I do up here."

Slick sat on the bed, put a hand on her shoulder. "Listen, Rose. You be a good kid and we'll go for a little pleasure trip up in the mountains. Day after tomorrow we'll go. That's a promise."

"If you go out tonight," she said, "change your tie."

"Sure."

"Wear your new gray one with the silver in it."

"Sure." He got up and opened a bureau drawer. "This it? I don't remember buyin' no tie like this."

"You don't remember half what you buy."

He put it on. "You be a good kid, now, and we'll go on that trip." He patted her shoulder, went out.

Downstairs he surveyed himself in a mirror. He looked O. K. Yeah. The gray tie with the goofy silver wiggles all over it was snappy. It was a warm night. He could leave his coat hang open and that tie would be a knockout.

"Listen, you guys. You make sure she don't pull no phonies. You keep an eye on her."

Meeting Molly

He went out.

He drove downtown, parked, went into a high-class restaurant. He killed an hour there, then picked up Molly at the corner and walked with her to the Palace.

"You sure look swell, Slick."

"Yeah, don't I?"

It was a good show. An old one, revived. Some one else had seen it, months ago, at the Biograph in Chicago. Keefer remembered, and said to Molly: "The trouble with that guy Dillinger, he was dumb."

When he walked out of the Palace, two men stepped up to him. One said: "You're under arrest, Keefer."

The girl gasped, shrank from him. Keefer narrowed his eyes, jabbed a hand to his pocket.

The whole world exploded in his face. He fell, and there was blood on the gray tie.

At Police Headquarters, Lieut. Mitchell held the gray tie up and scowled at it. "And you saw this when he came into the restaurant, Miss Rice?"

"Well, no—not when he first came in I didn't. But I waited on him. He stayed a long time, and he tried to be friendly. He asked me how I liked his new clothes. Then I noticed the tie and the embroidered figures on it."

"Just what does it say, exactly?"

"It says, 'This man is Slick Keefer, wanted for murder.' You see, I'm studying shorthand at business school, night."

Chinese Dollar's Position

Government Faced With Problem of Relieving Debtor Class by Devaluing Currency

By Arthur Sopher

Watching the available figures of Chinese currency reserves and following market quotations of the dollar in terms of foreign money, from hour to hour as is being done now, give unfortunately no guidance as to its real position.

In 1933, when the American dollar was the strongest money in the world, business people, the world over and out here, looked thither with admiring eyes at those ever-mounting gold reserves. And yet in the face of that overwhelming fact and the widely-published views of experts on the U.S. dollar's impregnability, the world found itself abruptly let-down one fine week-end. The gold content of the dollar by edict was reduced by about 40 per cent.; or the dollar of all-gold was come to be quoted at $1.67 or thereabout in U.S. legal tender; or the price of gold in American currency rose from $20.68 per ounce to 35 units of American national currency.

How should this have happened? Was there not more than enough gold to meet holders of bank notes, dollar for dollar? That they could easily have done and the American Government could thus have honoured its outstanding currency obligations 100 per cent.

The full understanding of this phase, preceding the American dollar's subsequent devaluation, will serve to clarify the situation *vis-à-vis* the Chinese dollar today, and aid importantly in guarding against further possible surprises.

America's Worst Depression

Before President Roosevelt had assumed office in March 1933, American economy had been undergoing its worst recorded depression. Beginning from the autumn of 1929 till the date of his inauguration, the recession in business progressively worsened. To it was added the flight, from commodities and equities, to gold. The result was a double debâcle; to the diminishing demands for production was superadded the further pressure from the panic to liquefy existing supplies into gold. The net effect was to bring real estate, industries, commodities and all equities to an all-time nadir, in terms of gold.

Now, as the President had shown, it was not a question only of meeting the Government's obligations of note and bond issue, but a $75,000,000,000 debt or credit structure of the nation's individual finances, which if debtors were perforce to meet, would work out to just a few cents gold to the dollar.

Geometrical Progression

This had come about because money, in the course of its evolution, had developed by three important stages, *vide licet*, precious metals of gold and silver, bank notes and bank credit. Each was in a sort of geometrical progression of the other. Finally, like an inverted cone, or pyramid, the apex was gold and the upside-down base was bank credit. Only in this ever-expanding way could modern industry utilize the aid of all available capital; present surplus and the promise of future. In times of prosperity, this structure is called credit; in depression, it is named debt. But in both cases it is one and the same thing—money in an expanded form.

In one of the American States several thousands of farmers, carrying spades and farm implements, stormed the auction room where their holdings were to come under the hammer, and stopped the proceedings effectively. Debtors were universally unable to meet their creditors. Banks began to collapse by the thousand. When the President took office in March 1933 a general moratorium had to be declared.

Roman Parallel

This state of monetary collapse is not without its parallel even in classical times; whenever prices fall so low that it is beyond the capacity of debtors to meet their obligations. In ancient Rome, a large army of soldiers, returning from the wars, were faced with wholesale imprisonment for debt and even physical dismemberment according to the laws of that time. But being in arms they could take the law into their own hands. They threatened to evacuate Rome and to found another city and rid themselves of unfair debt. This brought the creditor class to its knees, resulting in compromise with their debtors.

Coming back to the case of America, it might be said that if the Government had not devalued the currency, there were possibilities of very serious civil disturbances. Witness the fact of the vast numbers of war veterans marching into Washington and against whom the Hoover administration had to use firearms.

Before rounding off the illustration of the American case, one must not omit another major source of disruption. Not only was the internal economy in disorder, as described above, but American foreign trade was at a serious handicap by reason of the pound sterling's advantage in foreign trade in first going off gold, followed by so many other nations. Incidentally, it proved that British money was the real universal yardstick of value—a genuine compliment to the power and supremacy of British banking and commerce.

China's Capacity for Suffering

Now, with regard to the Chinese monetary situation, with every admiration and sympathy for their capacity to take a world of suffering, one must view the malaise in its physical limits, in order to arrive near to the truth.

Let us use as our parallel the American monetary situation in 1933. The *wei-wah* system here is for all practical purposes a banking moratorium. As against the fall in prices in America then, which melted securities there, we have here an outright wholesale destruction of value. This means that it is physically impossible for debtors in China to meet their obligations to creditors because in so many cases everywhere the securities have been destroyed.

Let it be taken for granted that the Chinese currency reserves are fully intact. There is then first to consider the Government's other obligations such as bonds and loans, the current deficit on the budget, war expenditure, and, lastly and most important of all, as in the case of the American Government in March 1933, the Chinese Government will be faced with the problem of relieving the debtor class by devaluing the currency so that the unbearable load on debtors may be relieved.

Means Would Justify the End

In the exigencies of a major war, when life itself is held cheap, it would not be a sacrifice of the highest order to subordinate all other considerations to the paramount one of national existence, as now. So even if Chinese currency were to be subjected to one or two more devaluations, the means would justify the end, it seems.

Latterly, both China and Japan have avowed their intention to prosecute the war indefinitely. The Chinese performances up to the present of carrying out their plans of resistance prove their tenacity. Their power of endurance has won the admiration of the whole world. At the same time everybody knows the temper of the Japanese war-like capability. A whole nation is prepared to carry through to the last man. Should there be no compromise, the national vitality of both sides will be very much thinned, exposing them both to internal disorder and external aggression.

If the hypothesis is correct that the struggle will be a long one, then the Chinese dollar, in terms of foreign currency, would all too naturally, progressively deteriorate.

Without war, American currency was devalued by 40 and that of France 100 per cent. What surprise, therefore, that Chinese currency should be sliding down in the furnace of war? The miracle is that it has kept up so well.

However that may be, and viewing matters in a dry, dispassionate way, there is yet another important consideration to be had in mind.

Exchange Restrictions

Despite the restrictions that the Hankow Government have imposed in the way of buying foreign currencies at Shanghai, capital can yet find means of egress through buying foreign money in the open market. This foreign money is furnished by letters of credit opened abroad against export cargo from Shanghai. If the Hankow Government had supreme authority at Shanghai to interdict the free sale of these export bills (as is done in Germany, Italy and Japan) then this mode of capital flight could be prevented.

But by the fortunes of war, it has lost this prerogative. So, export bills have a free market. There would yet be a remedy if all the foreign Powers here agreed to help the Hankow Government by controlling the sale of these export bills but it would necessitate, as a cardinal element, the control of the Customs at Shanghai. This is impossible now without the full co-operation of Japan. And what prospect is there of getting that co-operation? It would seem to be nil, because it is part of Japan's avowed policy, as already announced on several occasions, to break down Chinese national currency, for the obvious reason that soundness of currency is a great national asset.

This is being done by bringing into China the most competitve goods in the world and allowing the Chinese consumer to pay for them at almost par with the yen. The bank rate of yen is merely nominal. The true figure is 5 per cent. off par with the Chinese dollar. The effect is that whereas the yen is inconvertible into foreign currency, the proceeds of the Japanese goods in Chinese money has still a power of convertibility at Shanghai into pounds sterling or U.S. dollars. Thus, the Japanese exporter in Japan can, by this circuitous route, with facility, acquire gold credits for his shipments to China. This also can tap the free market that still exists at Shanghai for the acquisition of sound foreign currencies.

Dollar Would Deteriorate

As the war progresses and as the territory that comes under Japan widens, there will be less and less ability of the Chinese Government to derive contributions from these regions. And when it reaches the stage of seeing no use, in a defensive way, to supply its weekly quota of foreign exchange, this will also be dropped. At that time, imports and flight of capital here will have to be balanced by visible and invisible exports (remittances from abroad), in which event the present exchange value of the Chinese dollar must needs gravitate to lower levels, that is to say, the dollar would deteriorate.

St. Olaf's Orphanage Makes an Appeal

Committee Formed to Organize Lottery

St. Olaf's Orphanage, a department of the local Russian Convent, which has supported forty children for the past ten months is badly in need of funds, and for that purpose a committee has been formed to organize a lottery.

The project contemplates opening a store for the sale of dairy products, the work to be undertaken by the Sisters and inmates. They are assured of a market for their produce amongst the local Russian community and any surplus will be used for the benefit of the orphanage. To finance this a sum of $1,500 is required and it proposed to raffle seven credit slips on responsible local firms, four of $100 value and three of $50, and a total of 1000 tickets at $2 are to be sold. It is emphasized that the purpose of this raffle is to provide funds which will make the orphanage self-supporting, in the hope that it will be independent of future calls for assistance, and for this reason it is hoped that it will be well supported.

The committee are:—Mrs. Frank P. Lockhart, chairman; Mrs. A. D. Calhoun, hon. treasurer; Mrs. H. F. Seitz, hon. secretary and Mesdames P. S. Hopkins, J. A. McKay, Oliver Lockhart, O. V. Lembich, A. Wahamaki, R. Ferrajolo, W. P. Hunt and Baroness von Olbrech.

Tickets can be obtained from any member of the committee and particulars of prizes, time and place of drawing will be announced later. All inquiries should be made to Mrs. H. F. Seitz, Hon. Secretary, Tel. 21606.

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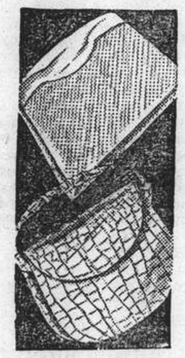
A very large range of plain and printed designs—all this Season's newest styles at Shanghai's lowest prices.

AMERICAN
WASHING HANDBAGES



It's hard to believe that these very distinctively designed Handbags should be so inexpensive—but they're copies of costly originals—so pick your choice while they last! We have a really wonderful selection that far surpasses anything of the kind in Shanghai. You will be positively entranced by these lovely Handbags in White and pastel shades.

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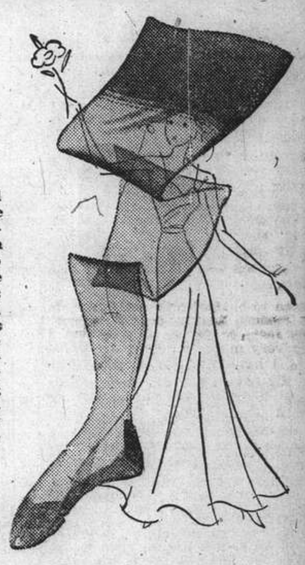
Just Received
"DREAM"
CANADIAN SILK STOCKINGS



"Dream" Stockings are 2 thread 57 gauge ultra-sheer genuine Grenadine "Clearophane" (ringless) Chiffon—the finest Chiffon produced in Canada. Owing to their being "sub-standards," we have purchased these stockings at a very large discount, which enables us to offer them at less than half their real value. The slight "defects" do not affect the wear of the stockings in any way and are so insignificant that it requires very critical examination to detect them. "Dream" Stockings come in the very latest shades.

Price $6.95 pair
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"FALOMAR" Exclusive American Beachwear.
Other models are fashioned by our own fashion artist,
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See our windows for special displays.

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SHORTS	$ 4.50
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From a Clubman's Chair

What Happens to Newdigate Winners ?; Ingrams Of Arabia ; Memories of a Pioneer Motorist

By Charles Martin

The announcement of the winning of the Newdigate Prize for Poetry—Oxford's most important literary award—by Mr. M. R. Thwaites of Melbourne, prompts the question: what happens to these budding young poets who year by year are honoured in this way? Do they subsequently compete with one another for the Laureateship, or become famous in any other way as men of letters?

Mr. Thwaites is the third Rhodes scholar to receive this prize. The other two lapsed into obscurity as far as poetry is concerned, in which they did but follow the example set by the majority of those who have won the Newdigate since it was instituted in 1806. Early promise is seldom fulfilled.

Brilliant exceptions include Matthew Arnold, Ruskin and Oscar Wilde. Swinburne made two unsuccessful attempts to win the award.

Candidates in poetry contests do not always approach their task with the seriousness expected from the occasion. There was the scholar at one of England's famous public schools who, obliged to enter against his will for the annual poetry prize, responded by pulling the leg of the examiners. The subject was Walter Raleigh, candidates being allowed complete freedom as to metre and length of lines. His poem began:

Waiter Raleigh
In his cell
Usually
Got on well.

A Second Lawrence

Though it is three years since Lawrence of Arabia was tragically killed, the name of this man who shunned publicity is seldom out of the news for long. A few days ago the Dorset cottage in which he lived and worked when serving as Aircraftsman Shaw was given to the nation; the speedboat of which he was part designer is shortly to attack Italy's world record; autographed copies of Lawrence's books fetched high prices at the sale of Thomas Hardy's library recently, "The Seven Pillars" realizing £205; and periodically some man of courage and enterprise is dubbed a "second Lawrence of Arabia."

The title, of course, is a great compliment likely to prove an embarassing responsibility to the recipient. The latest to be honoured with this nick-name is Mr. W. H. Ingrams, a 41-year-old Englishman who occupies the post of Resident Adviser at Mukalla, Southern Arabia.

Mr. Ingrams, who recently arrived in England, probably knows more about Southern Arabia than does any other of his fellow countrymen. He has visited all parts, including districts previously unknown to Europeans, and he has some very definite ideas as to how the territory should be administered.

Whatever the Arabs think I should imagine that some of Mr. Ingrams' ideas are not always acceptable to European visitors who, he insists, must follow his example and wear Arab clothes. He will not permit European relaxations at the Residency. Such games as lawn tennis are barred. Mohammedan diet customs are strictly observed. I am looking forward to reading the book which this "second Lawrence" is writing on his experiences.

Motoring in the Stone Age

I have just met England's model motorist. He has driven every day (except occasionally when prevented by illness) for 42 years and he has never had an insurance claim for or against him. This motoring paragon is Mr. H. E. Wilkinson, a 64-year-old engineer.

Actually, I am afraid Mr. Wilkinson is not quite a paragon. He has been fined for exceeding the speed limit 12 miles an hour. That, of course, was in the early days of motoring, soon after it emerged from the "red-flag-in-front" stage. Mr. Wilkinson possesses what is believed to be the earliest driving licence. Dated 1899, the document permits the holder to drive various kinds of vehicles including a stage coach.

This pioneer has a vivid memory of being stoned by villagers who had never seen and never heard of a car; he can also remember when petrol could be bought only by the barrel, and a barrel held 240 gallons.

The World of Art

Mr. Augustus John, who recently resigned from the Royal Academy, has suffered no financial loss as the result of his action. At his latest exhibition £7,000 worth of his pictures was sold in a single day, Mr. J. B. Priestley being one of the purchasers.

For some years now Mr. John has averaged £6,000 a year from his painting. He is certainly not in the tradition of the starving artist who achieves fame posthumously. Will posterity confirm today's verdict on Mr. Augustus John?

It seems to be the rôle of history to reverse the judgment of art buyers on the work of contemporary artists. It is well known that many of the world's greatest painters, whose pictures now fetch big prices, died in poverty, their creations unappreciated; while some of those who enjoyed prosperity during their life-time are now neglected.

Cézanne, the artist friend of Zola in his struggling days, lived penuriously. He was glad to get £20 for one of his pictures which now fetch four or even five figures. Rembrandt, who died bankrupt, would have been glad of the big sums now realized for his work.

On the other hand, many "pictures of the year," sold for handsome figures, have slumped in value. A portrait for which Sir John Millais received £3,000 was sold two years ago for £278; another dropped from 1,450 guineas to 45 guineas. Frith, who was responsible for the celebrated "Derby Day" picture, Landseer of "Stag at Bay" fame, Alma Tadema and Burne-Jones are other Victorian artists the money value of whose work has fallen considerably.

Education at the Cabaret

What is happening to London night life? Hard on the news that a much-raided night club has been sold for a "song" to a group of pacifists who have re-opened the premises as a "Dick Sheppard Memorial Centre" comes the announcements that a famous and very respectable restaurant in the West End is to add to the attractions of its cabaret by a series of talks.

After-theatre seekers of refreshment and amusement will be entertained not only by dancing girls and light comedians, but by lecturers on a variety of serious subjects. First on the list is Mr. Sydney Carroll, who runs the Open Air Theatre in Regent's Park. He is to speak on controversial theatrical topics, a different one each night.

The cabaret may come to play an important part in the educational system! If the experiment succeeds, and cabaret talks become popular, those arriving home in the early hours of the morning who want an excuse for their conduct will be able to advance a plea of attendance at night school.

CHURCH SERVICES

Holy Trinity Cathedral.—July 3—3rd Sunday after Trinity.—Holy Communion (also in Bubbling Well Chapel) 8 a.m. Mattins and Holy Communion 10.30 a.m. Psalm: 16. Lessons: I Samuel 1, 1-28; Mark 4, 1-29. Marchant in G. Hymns: 37, 298. Preacher: Rev. E. J. Ottewell, L. Th. (Mattins at 10.30 a.m. will be broadcast from Cathedral over Station XMHD., 760 kc., 394.6 m.) Evensong and Sermon 6 p.m. Psalm: 20. Lessons: I Samuel 2, 1-21; Matt. 4, 23-5, 16. Hymns: 308, 12, 21. Preacher: Rev. F. W. Weaver, L. Th. Bubbling Well Chapel 6 p.m. Preacher: The Dean.

St. John's Pro-Cathedral. Jessfield.—Evening Prayer in English at six o'clock.

Union Church (International and Interdenominational), 107 Soochow Road (near the British Consulate-General).—Officiating Minister: Rev. C. Wilfrid Allan.—10.45, Morning Worship, followed by the monthly Communion. Preacher, Rev. C. W. Allan.

Church of the Air Programme
(XMHD 760 kc.394.6m) July 3-9.
Sunday 10.30: Cathedral service
8.00: XMHD Gospel Singers.
8.30: Gospel Service. (Dr. D. Farquharson)
9.00: Russian Service and Music.
Monday and each day of the week.
12.40: News Items. N.C.D.N.
1.00: Devotional Service and Song.
5.00: Classical and Popular Music
7.00: Classical and Sacred Music.
8.30: Gospel Service and Music.
9.00: News Items. N.C.D.N.
9.15: To be announced.
Noonday speakers: Rev. Lowry Davis, Rev. A. E. Small, C. I. M. Friends and Rev. G. A. Jacobson.

Fourth Marines Church Grand Theatre. The United States Fourth Marines will hold their church service and concert in the Grand Theatre, Sunday, July 3 at 10 a.m. Chaplain Lieut. Frank R. Hamilton of the Fourth Marines will conduct the worship service and deliver the sermon on the subject "Moral Mastery." Five members of the Band will render as a clarinet quintet "One Sweetly Solemn Thought" by Parks. The band plays two number for the service, the prelude "Coeur Brise" by Gillet and Friendland's "Shades of Night" for the offertory. Mr. Willis Hathaway, of the Navy Y.M.C.A. Staff, leads the singing of the hymns. In the concert programme which follows the service Private First Class Milton W. Potter is the Concert soloist. Ptec. Potter renders two saxophone solos, with band accompaniment, "Scenes That Are Brightest" from "Maritana" by Wallace and Von Flotow's "Last Rose of Summer." Selections played by the Fourth Marines' Band, under the direction of Staff Sergeant William R. Stuart, include the overture "Flying Artillery" by Bergenholtz and Toban's "Daughter of the Regiment." The Fourth Marines' Drum and Trumpet Corps, and Band combine to render Souza's noted march "Semper Fidelis." The programme concludes with the Band's rendition of the Marines' Hymn and the American National Anthem. A cordial welcome is extended the citizens of Shanghai of all nationalities to both the church service and concert which follows.

Community Church:—The Reverend John P. Minter will preach in Community Church on Sunday at 11 a.m. on the theme, "That is Your Affair." Miss Rosa May Butler will be at the organ, playing "Prelude in G Minor" by Rogers, "Andante Religioso" by Hailing for the offertory, and "Stabat Mater Dolorosa" by Lemaigre for the postlude. Mrs. G. Von Enckevort will sing "Fairest Lord Jesus" by Edwardo Marxo. The Summer session of the Church school will begin Sunday morning, all departments meeting at nine-thirty in the Church buildings. The adult Group will be led by Miss Margaret Rue, on "James, an Expounder of Ethical Standards." At 6.30 p.m. in the Navy Y.M.C.A., Mr. K. G. Murray will speak on "The Land of the Midnight, Sun,—Alaska." Beginning on July 10, and continuing through July and August, the hour of the morning service will be ten-thirty, instead of eleven o'clock. During July and August, the Church Office will be closed in the afternoons. The acting pastor, Mr. Minter, can be reached at that time, in emergencies, at telephone 72071.

Sacred Heart Church (260 Nanzing Road).—Sunday: Masses at 6, 7 and 8 a.m. Benediction at 5 p.m. Weekdays: Masses at 6 and 7 a.m.

Saint Peter's Church (Avenue Dubail). Sunday: Masses at 5.15, 6, 7, 8 and 9 a.m. Benediction at 3.30 and 6.45 p.m. Weekdays: Masses at 5.15, 6, 6.45 and 7.30 a.m.

Saint Theresa's Church (35 Tatung Road). Sunday: Masses at 6.30 and 8.30 a.m. Benediction at 4 p.m. Weekdays: Mass at 6.15 a.m.

Our Lady's Church (694 Baikal Road). Sunday: Masses at 6.30 and 8 a.m. Benediction at 4 p.m. Weekdays: Masses at 6 and 7 a.m.

Church of St. Aloysius Gonzaga (734 Kiaochow Road). Sunday: Masses at 6, 7, 8 and 9.30 a.m. Benediction at 4 p.m. Weekdays: Masses at 5.30, 6 and 6.30 a.m.

Church of Christ the King. 235 Rue Bourgeat. Month of July on Sundays, Masses at 6, 8, 9, 10 and 11 a.m. Benediction at 6.30 p.m., on Weekdays Masses at 7 and 8 a.m., on First Friday, Masses at 7 and 8 a.m. Benediction at 7 p.m.

Shanghai Free Christian Church (Evangelical) 681 Hart Road. The services on Sunday will be conducted as follows:—Morning at 11 o'clock by Mr. S. Glanville. Evening at 6 o'clock by Mr. G. W. Bailey. Services during the week:—Monday at 8 p.m. Young People's Meeting. Thursday afternoon at 5.45 Prayer Meeting. Thursday at 8 p.m. Men's Bible Class. A welcome extended to members of the Foreign Defence Force.

"The Hut," 495 Yu Yuen Road. Children's Service, 9 a.m. Evening Service at 6 o'clock. Preacher, Mr. B. G. Howes. Bible Class—Friday, 7.45 p.m.

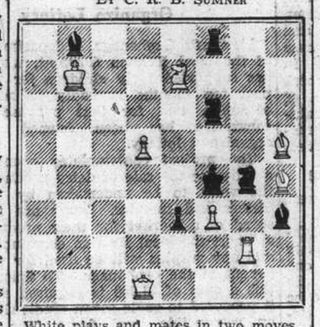
Bethesda Gospel Hall (Interna[illegible]ional).—729 Yu Yuen Road, Shangh[illegible]ai Gospel Services are held in: G[illegible]erman; on Sundays at 5 to 6 p.m. [illegible] on Wednesdays Bible Class for [illegible]adies at 5-6 p.m. English: on Tu[illegible]esdays Prayer Meeting at 5.30 to 6.[illegible]0 p.m. Chinese: on Sundays Breakin[illegible]g of Bread Meeting at 10-11.30 [illegible] a.m. on Sundays Gospel Meeting [illegible]t 2.30 to 3.30 p.m. on Fridays Bib[illegible]e Class at 5.30 to 7 p.m.

First Church [illegible] Christ, Scientist, Shanghai 1647 [illegible]ver[illegible]ue Road. Sunday Service 11 a.[illegible]m. July 3. Subject: "God." Sun[illegible]ay School 9.45 a.m. Testimo[illegible]ial Meeting, Wednesday, 6 p.m. [illegible]eadir[illegible]g Room at the Church open Mond[illegible]ay, Tuesday, Thursday and Friday fro[illegible]m 10.30 a.m. to 6.30 p.m. Wednesda[illegible] from 10.30 a.m. to 6 p.m. Saturday from 10.30 a.m. to 1 p.m.

Endeavour[illegible]ers Church.—Morning service will be held at "The Hut" 495 Yu Yuen Road [illegible]t 10 a.m. to be followed by observ[illegible]ance of the Holy Communion. The [illegible] Pastor, Dr. H. G. C. Hallock Ph. D., will preside. Mid-week Prayer-Meet[illegible]ing will be held on Wednesday at 8.30 p.m. at the Mission Building.

CHESS

PROBLEM No. 113
By C. R. B. Sumner



White plays and mates in two moves.

White: K on QR7; Q on KR4; B's on K1, KB1; Kt's on QB7, KKt7; P on KR2. Black: K on K6; R on KR2; B on K1; P's on Q5, 6, K3, KB6, KR3, 6. Three moves. Key Q — Kt4. Threat 2. Q × KP ch K — B5, 3. B — Q2.

Black	White
1. B — Q2	2. Kt — B5ch
1. B — B2	2. Kt — Q5ch
1. P — B7	2. Q — Kt3ch
P × Kt	3. Kt — Q5
P × Kt	3. Kt — B5
K — K5	3. B × QP

The White Kt's, "half-pinned" in the diagram, are elegantly released by the defences B — Q2 and B — B2. The sub-variation 1. B — B2 (or Kt2) 2. Q × KPch, B — K5, 3. Kt — Q5, a pin-mate, is also worthy of notice.

The following submitted correct solutions to Prob. No. 111. Delayed in transit from Tsingtao, U. P. and T. B. Patterson. Prob. No. 112:—J. Lawrence Rozario, J. Lindner and C.R.D.

The University Match

Nimzovitch Defence

White E. L. Stuart (Oxford)	Black M. E. Wise (Cambridge)
1. P — K4	Kt — QB3
2. Kt — QB3	P — K3
3. P — Q4	P — KKt3 (a)
4. P — B4 (b)	B — Kt2
5. Kt — B3	KKt — K2
6. B — K2	P — Q3
7. Castles	B — Q2
8. P — Q5	P × P
9. P × P	Kt — Kt5
10. B — B4 (c)	Castles
11. Kt — K2	P — QB3 (d)
12. P × P	Q — Kt3ch
13. K — R1	Q × P
14. R — Kt3	Kt — B4
15. P — B3	Kt — QR3
16. Kt (K2) — Q4	Kt × Kt
17. Kt × Kt (e)	B × Kt
18. Q × B	Kt — B2 (f)
19. P — B5!	Kt — Kt4 (g)
20. Q — KR4	P — Q4 (h)
21. P — B6	K — R1
22. Q — R6	R — KKt1
23. B — Kt5	Kt — Q3
24. B — B2	B — B4 (i)
25. R — B4	Resigns

(a) The inventor of the opening preferred the speedier B — Kt5, followed by KKt — K2.

(b) Mr. Stuart proceeds calmly with a "classical" formation.

(c) P — QR3, B × Kt, 11. P × Kt B × P (Kt4), 12. Q — Q4, B — QB4! That sort of thing doesn't happen, of course, in a Varsity match.

(d) Opens up White lines. Preferable is P — QKt4, 12. B — Kt3 P — QR4, with QR3 as a good spot for the Kt.

(e) White is on top, with the menace of P — B5.

(f) B — B4 would stem the torrent for a while.

(g) B × P, 20. B — R6, Kt — K3, 21. B × Kt and mate follows.

(h) And now, B × P, 21. R × B P × R, 22. Q — Kt5 ch K — R1, 23. Q — B6 ch K — Kt1, 24. B — R6. Curtains!

(i) This does not prevent the traditional pretty Q sacrifice by Q × RP ch. The way to hang on, though without much hope (or rope) in the long run, is by Kt — B4, 25. B × Kt P × B.

Ending Game

White, G. G. Reaks (Oxford): K on K1; R's on QKt2, Q1; Kt on K2; P's on QR2, QB4, Q5, KB4, KKt3, KR2. Black, J. S. Abraham (Cambridge): K on KKt1; R's on QR1, Q1; Kt — QR4; P's on QR2, QKt3, K5, KB4, KKt3, KR2.

White	Black
1. P — B5 (a)	QR — B1
2. P — B6 (b)	K — B2
3. R — QB2	R — Q3
4. P — Kt4!	R — R3 (d)
5. P × P	P × P
6. P — Q6!	R × BP (e)
7. P — Q7	R (QR3) — Q3
8. P = Q	R × Q
9. R × R	Resigns

(a) An opportunity well taken. If P × P, 2. R — Kt5 wins the Kt.

(b) Psychologically best, since P × P would free his opponent from uncertainty.

(c) Much the best chance is Kt × P, 3. P × Kt R × Rch, 4. K × R R × P. After which a careful defence might present a drawing position to the adjudicator, Sir George Thomas.

(d) K — B3 must be played.

(e) Better, Kt × P, 7. R × Kt, R × R, 8. P — Q7 R (QB3) — Q3, etc., the ending being difficult to win. But Mr. Reaks's famous "push" deserved results.

Queer Ending

White (Gondim): K on KKt1; Q on K4; R's on QR1, KB5; P's on QR3, QB5, Q4, KKt5, KR2. Black (Kiss): K on KB1; Q on QB2; R's on QKt1, Q1; P's on QR2, QKt4, KB2, KKt3, 5. Sr. Kiss has just hit the White R, giving young Sr. Gondim a chance of brilliancy.

White	Black
1. R × Pch!	K × R (a)
2. R — KB1ch	K — Kt1 (b)
3. Q — K6ch	K — Kt2 (c)
4. R — B6	R — Q2
5. P — B6 (d)	R — K2
6. R × Pch	K — R1
7. Q — B6ch	R — KKt2
8. P — Q5 (e)	P — Kt5 (f)
9. P — Q6 (g)	Q — Kt3ch
10. K — B1 (h)	Q — Kt4ch
11. K — B2	Q — QB4ch
12. K — B1	Q — B8ch
13. K — B2	Q — B7ch
14. K — Kt3	Q × R and wins (i)

(a) Q × R, 2. R — KB1 is unfavourable to Black; the White Q's mobility, her united passed P's, and the weakness of the Black P's being contributory factors.

(b) Not K — Kt2, 3. R — B6, winning.

(c) Other K moves allow the fatal 3. R — B7.

(d) Useful in connection with his ninth move.

(e) The excellent idea is now seen. White intends to exchange off on Kt7, and win, *à la* Book, with two united passed P's on the sixth rank against a R.

(f) Also to obtain a fast-moving P, after the exchanges, but it should not work. I don't know what will: R — QB1, holding the P's, seems lethargic.

(g) Gondim thus throws away the game. Simply P × P will do, meeting R × P, of course, by 10. Q — B8ch.

(h) He must prevent capture of his QBP with check, and must also avoid R — K1ch.

(i) Continued 15. P — B7, Q — Q6ch, 16. K × P, Q — B5ch, 17. K — Kt3, R — K1, and Black resigned after a few moves.—"Observer."

Mae West tips the scales at 119—barely.

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Current Films

NANKING.—"Navy Blue and Gold."—Two midshipmen and a girl provide the romantic complications in this thrilling story of life at Annapolis. Florence Rice is the girl—Robert Young and James Stewart are the midshipmen—and the fight is on! Also featured in the cast are Lionel Barrymore, Billie Burke and Tom Brown.—Reviewed yesterday.

METROPOL.—"Merry-Go-Round of 1938."—Built for laughing purposes, this merry, mad whirlwind of mirth combines top-line talent of Broadway, the airways and Hollywood such as Bert Lahr, Jimmie Slavo, Billy House, Alice Brady, Mischa Auer, Joy Hodges, Louise Fazenda, John King, Barbara Read and Dave Apollon and his orchestra. Reviewed yesterday.

GRAND.—"The Adventures of Robin Hood."—The deathless romance that has thrilled the world for centuries comes to you with an ideal cast in a blaze of the new perfected technicolour. The makers of "Light Brigade" present a two million dollar production that sets a new standard for screen magnificence. Starring Errol Flynn and Olivia de Havilland with Basil Rathbone, Claude Rains, Patric Knowles, Eugene Pallette, Alan Hale, Melville Cooper, Ian Hunter and Una O'Connor.

CATHAY.—"Sailing Along."—Ship ahoy! It's the barge Wiltshire, with a cargo of melody, mirth and romance aboard! A Jessie Matthews picture is a screen event and this is her best yet. The supporting cast includes Roland Young, Barry Mackay, Jack Whiting, Noel Madison, Athene Seyler, Frank Pettingell and Peggy Novak.

CAPITOL.—"Heidi."—Shirley Temple in an enchanting tale of the relationships of children and grown-ups. Supporting are Jean Hersholt, Arthur Treacher, Pauline Moore and Mady Christians.

PARIS.—"Love and Hisses."—Simone Simon, Walter Winchell and Ben Bernie, supported by Joan Davis and Bert Lahr. Opens today.

RIALTO.—"The Firefly."—A brilliant musical hit from the celebrated Harbach-Rudolf Friml operetta. The cast includes Jeanette MacDonald, Allan Jones and Warren William.

Films Coming

"Love, Honour and Behave."—A comedy romance containing more socks than kisses and that earhaunting melody "Bei Mir Bist Du Schoen." Starring Wayne Morris, Priscilla Lane, John Litel, Thomas Mitchell and Dick Foran. Coming next to the **CATHAY.**

"Kentucky Moonshine."—Starring the Ritz Brothers, Tony Martin, Marjorie Weaver, Slim Summerville, John Carradine, Wally Vernon, Berton Churchill and Eddie Collins. Just one big riot of mirth and melody in which Public Maniacs turn hill-billies to scoop a radio contract—and find that there's romance in "them there hills" and a spot of feuding as well. Coming next to the **GRAND.**

"Love, Honour and Behave"

Coming shortly to the Cathay are Wayne Morris and Priscilla Lane.

"Merrily We Live."—Constance Bennett and Brian Aherne form a delightful co-starring team in this uproarious story of one of the daffiest families ever portrayed either on stage or screen. Others in the stellar comedy cast include: Billie Burke, Alan Mowbray, Patsy Kelly, Ann Dvorak and Tom Brown. Coming to the **NANKING.**

"Hawaii Calls."—The most famous beauty spots in the Hawaiian Islands including Honolulu's Waikiki Beach, are seen in Bobby Breen's new musicale, with a supporting cast which includes Irvin S. Cobb, Gloria Holden, Ned Sparks, Warren Hull and other screen favourites. Coming to the **METROPOL.**

"Dr. Jekyll and Mr. Hyde."—Reissue of Robert Louis Stevenson's weird thriller. The story of a man with a double personality — lovable philanthropist and devil incarnate. With Fredric March, Miriam Hopkins, Rose Hobart, Holmes Herbert and Halliwell Hobbes. Coming to the **GRAND.**

"College Swing."—A *de luxe* musicale in which Gracie Allen gets control of Alden College and starts a system of "liberal education" that will have you in hysterics. The huge star cast includes George Burns, Gracie Allen, Martha Raye, Bob Hope, E. E. Horton, Florence George, Ben Blue, Betty Grable, Jackie Coogan, Cecil Cunningham, the Slate Bros, Tully Marshall and 20 other featured players. Coming to the **CATHAY.**

"The Last Gangster."—Starring Edward G. Robinson in a dynamic new drama of a criminal's regeneration, returning to the type of role which first won him renown as one of the screen's greatest character stars. The cast includes Rose Stradner, James Stewart, Lionel Stander, Douglas Scott and John Carradine. Coming soon to the **NANKING.**

"Wide Open Faces."—Joe E. Brown portrays a small-town soda jerker who tracks down some big-city gangsters by the most hilarious methods. The cast includes Jane Wyman, Lydia Roberti, Barbara Pepper and Alison Shipworth. Coming to the **METROPOL.**

"Rosalie."—Co-starring Eleanor Powell and Nelson Eddy in the most magnificently staged musical ever to reach the screen. The story is laid at West Point against the lavish background of choruses and brilliant ballets. Coming to the **NANKING.**

FROM SHANGHAI FOOTLIGHTS AND FILMS

"Merry-go-Round of 1938"

With Joy Hodges, recently of Broadway features, comedians galore are the dominating note at the Metropol Theatre today; among them are Mischa Auer, Bert Lahr, Jimmie Slavo and Billy House.

"Sailing Along"

Jessie Matthews and Roland Young have the leading roles at the Cathay Theatre today in this Gaumont-British film—associated players include Barry Mackay and Jack Whiting.

"The Adventures of Robin Hood"

One of the best pictures to be shown at the Grand, "Robin Hood," continues to attract—above are pictured Errol Flynn, Olivia de Havilland, Alan Hale and Eugene Pallette.

"Navy Blue and Gold"

The locale of this service picture, now being shown by the Nanking, is Annapolis, the U.S. Naval Academy. Among the players are Robert Young, James Stewart, Florence Rice and Billie Burke.

To Dine and Dance

ARCADIA.—Dining and dancing. Russian cuisine. Orlovskaya and Valin. Kniazeff's ballet.

CASANOVA.—Apollo's Gauchos. Dixie Sisters and Francisca.

CATHAY RESTAURANT.—8th floor.—luncheons.

CATHAY HOTEL LOUNGE.—Morning and afternoon tea and cocktails.

CIRO'S.—Cabaret. Jarrett's orchestra. Sunday tea dance.

DARYAL.—Dining, Russian cuisine.

D. D.'s NIGHT CLUB.—Russian and foreign style cuisine. Floor show.

DEL MONTE.—Cabaret. Alabido's orchestra. Floor show.

JESSFIELD CLUB.—Dining and dancing in the summer garden. Hegamin, Rothe and Bulmer entertaining.

KAVKAZ.—Russian cuisine. Dining and dancing. Floor show.

MAJESTIC.—Cabaret. Lundstrem's orchestra.

MASKEE CLUB.—*A la carte* and dancing. Sellers and Kirkor entertaining.

METROPOLE BALLROOM.—Cabaret. Santos' orchestra, entertainment.

METROPOLE HOTEL.—Grill and dining rooms for business tiffins and other occasions.

PALACE HOTEL.—Tea lounge, snack counter and grill room. Music during tiffin, tea and dinner by a classical trio.

PARAMOUNT.—Cabaret. Gloria Andico's orchestra.

PARK HOTEL.—Grillroom, dinner dance nightly. Itkis' orchestra. Tea dance every Sunday. Tea and cocktails in the lounge.

RENAISSANCE.—Restaurant and ballroom. At tea and dinner Koudiateff's Trio.

Apollo's Gauchos

The Casanova Ballroom in Avenue Edward VII is enjoying a new popularity since the commencement of later closing hours. The ballroom now has permission to remain open until 5 a.m. One of the chief attractions is the dance music, provided by Apollo's Gauchos. The floor show is headed by the Dixie Sisters, American coloured singers and dancers, and also includes the sensational Spanish dancer, Francisca. Hot dogs are served free of charge every night after 11 o'clock.

Paramount Floor Show

Sparkling floor show entertainment will be a feature of the tea dance to be held today at the Paramount Ballroom, music for which will be furnished by Gloria Andico's Rhythm Boys. The ballroom is air-conditioned and an even, comfortable temperature is maintained on the warmest of days. For those who prefer semi-privacy the cosy balcony, which has its own glass dancing space, offers an ideal rendezvous.

"Moonlight Sonata."—This mostly is a Paderewski picture, although Marie Tempest, Charles Farrell and Eric Portman give excellent support in the plot structure. Coming to the **PARIS.**

"Lost Horizon."—A spectacular, spellbinding story of a young British Consul who finds love in a beautiful strange place. Starring Ronald Colman and featuring Jane Wyatt, Margo, John Howard, Edward Everett Horton and Isabel Jewel. Coming to the **NANKING.**

"45 Fathers."—Jane Withers in her latest comedy to be shown locally—supported by Louise Henry, Thomas Beck and the Hartmanns. Coming to the **CAPITOL.**

"Blossoms on Broadway."—A rodeo of romance and giddy gaiety hits New York's Great White Way when a merry game of cheating cheaters bubbles over with laughs, love and songhits. With Edward Arnold, Shirley Ross, John Trent, Rufe Davis, Weber and Fields. Coming to the **CATHAY.**

"The Life of the Party."—New song-and-dance comedy uniting Harriet Hilliard and Gene Raymond for the first time as singing sweethearts involved in hilarious romantic complications fostered by Joe Penner, Parkyakarkus, Victor Moore and Helen Broderick. A **METROPOL** booking.

Film Shown by Television

London Sees "The River," Saga of Mississippi; Delights in Its Sheer Simplicity and Majesty

There was history made in the cinema recently, when one of the noblest films that America has ever produced, "The River," was shown to the English public for the first time—by television, writes C. A. Lejeune in the "Sunday Observer."

It was an event as significant, in its quiet way, as the first full-length cartoon, or the first talkie. Films, of course, are a regular part of the television service, but with one exception—a Western last year—they have always been short films, Disneys and newsreels, brief nature pictures, and comedies. Some of them have been comparatively old; all have previously made some sort of a public debut. "The River" runs for thirty minutes; its print is brand new and bright; it comes to England with golden opinions from its own country. It would have been an adventure to see it anywhere, in any theatre. It was like a kind of white witchcraft to see it alone by the fireside, to have those fresh images and words, carried over 4,000 miles of sea and who knows how many miles of land in their small tin cans, suddenly set free on the air waves, to break through brick and wood and glass and confront you in your own room.

Simple Film

I can think of few films that could have been better chosen for such an intimate experiment than this saga of the Mississippi. "The River" is one of the simplest films that have ever been made. It never shows off. The narrator's voice is quiet and unhurried, with every syllable pitched for sober clarity. The images have been arranged in such a way that they seem to flow inevitably one from the other, carrying the eye along with the smoothness of river-water. Pare Lorentz, who made the film, had a story to tell, and he told it in the best possible way, directly and quietly, as one man in a small room would talk to another. The result is a film that is as much a model of its kind as "The Birth of a Nation" or "Caligari."

Holiday Weather is at Hand

The lassies of Hollywood seem to be forerunners of the exodus to Tsingtao and other summer resorts.

The film was made for the American Government, and sponsored by the Farm Security Administration of the Department of Agriculture. Its design is to tell, so clearly that any outlander can understand it, the intimate life story of those thousands of miles of territory washed by the Mississippi and its tributaries. It is "the tragedy of land twice impoverished," first by the Civil War, and later by the zeal of the lumbermen. "The war impoverished the old South, but there was lumber in the north, lumber on the upper river. Lumber for the new continent of the west. Lumber for the new mills.... black spruce and Norway pine, Douglas fir, and red cedar." Down the river came the trees. "Down the Yellowstone, the Milk, the White; the Cheyenne, the Cannonball, the Musselshell, the Sioux; down the Miami, the Wabash and the Green...." leaving the earth dry and arid, with no roots to bind it against the river's rising tide.

Later came the floods, the drought, the poverty of the bare, parched soil; the good land washed far out into the Gulf of Mexico, the dust left behind, and hunger, and squalor. "We built a hundred cities and a thousand towns, but at what a cost. We left the country slashed and burnt.... we planted and ploughed with no regard for the future." The film ends up with a promise of decent living for a land that will plant where it has loosened the waters, turn the old enemy into a friend and benefactor. "Where there's water there's power. Power to make a new Tennessee for a new generation. Power enough to make the river work."

The film is rooted in American history, American geography, and American politics, but there is something in it for every imaginative spectator. The photography is as brilliant as a diamond; the pictures are so cunningly chosen that you and I, who have thought of the Mississippi, if we have thought of it at all, as a long river with a confusing array of double consonants, find ourselves mazed and enchanted. The prose in which the story is told is the finest I have ever heard on a sound-track. It is clean, terse, and glowing with images. The catalogue of the rivers and towns are spare as some splendour from Homer or the Old Testament. Pare Lorentz, who wrote it, and Thomas Chalmers, who spoke it, are clearly men who love good words and know how to give each one its value.

Ahead of Film People

The television people in England have jumped ahead of the film people in the matter of "The River." The copy that we saw on Monday was specially sent over to the B.B.C. by their North American office. There is another copy of the film in Wardour-street, but so far I can get no positive assurance that it will ever be shown in the theatres. If you want to see "The River" at your local Odeon or Astoria or Playhouse I suspect that you will have to ask your manager for it, and ask again and keep on asking. If enough people insist on seeing it, and refuse to take no for an answer, I am quite sure that in the end they will get it. I don't often ask you to believe that a picture is worth a lot of trouble. "The River" is.

Garden Dancing

A tea dance today and a dinner dance tonight will be held at the Pavillion, the cool summer garden opposite Jessfield Park, and which has facilities for indoor and outdoor dancing. The Pavillion is operated by Jimmy James. Afternoon concerts are held every week day. Tonight's special dish will be chow mein. The dance band is headed by Miss Nina Kellan, who is also a pleasing vocalist. Tuesday night will be Wee Golf Bank Night. On this occasion a cash prize of $100 will be given away.

Care in Manufacture of Movie "Teasers"

The first movie trailer ever made was titled "Ladies, Please Remove Your Hats"—a one-slide reminder to selfish cinema ladies of 1909. The second trailer, in 1910, also concerned head-gear—"The New York Hat," starring Mary Pickford and Lionel Barrymore.

This trailer consisted of 20 titles and two scenes. From then on, and more particularly in the last two year, trailers, i. e., the brief features announcing and illustrating the next offerings of the theatre, have assumed more and more importance, and now rate as much preparation and care as the average picture.

"Merrily We Live"

Constance Bennett and Billie Burke are due soon at the Nanking.

The word "trailer" originated from printed slides, tacked on the end of the old silent serials, bearing the words, "To be continued in our next." The current trailers, designed to bring the 12,000,000 picture spectators back to the theatre, are now referred to by the trade as "teasers," and, like the pictures they advertise, they change with the wants of the public. More action, novelty, disguised advertising, brevity, less supercolossal adjectives, and few or no sub-titles at all—are the present-day commandments of this highly specialized branch of the picture business.

The National Screen service, with 25 exchanges in the United States, manufacturer of trailers for 20 years, distributes Hollywood's trailer output—with the exception of Metro-Goldwyn-Mayer and Warner Brothers' products—serving exhibitors with 350 trailers a year, including Christmas and New Year's briefies.

The average trailer runs two minutes—with a record of eleven minutes for the No. 1 "Buccaneer" trailer, and 30 seconds for the latest Mae West teaser.

Tomorrow's Gala Night

R. A. Williams of the 4th Marines was acclaimed service men's dance champion in the finals of the all-services dance contest held at the Majestic Ballroom on Thursday. Seven judges unanimously voted the marine and his able partner as the best of the large number of contestants competing in the finals. Williams and his partner was awarded first prize, $50, and a beautiful silver cup. Second prize went to an Italian sailor, Grillo Domenico. The third prize, a silver cup, was won by W. E. Schmit, of the U. S. S. Augusta. Another Augusta contestant, D. E. Krogstad, won fourth prize. The Majestic has completed arrangements for a gala observance of the 4th of July. A special floor show will be presented, special music and the entire 150 hostesses will wear red, white and blue costumes.

Marlene Dietrich's weekly broadcast starts in September.

Nazimova Returns to Hollywood

Bewildering as Compared With Town of 20 Years Ago

When Alla Nazimova first came to Hollywood 20 years ago, she brought with her a sizable fortune from the stage and an all-high acting reputation—also from the stage, writes Sheilah Graham from Hollywood in the "Oregonian." When she left the movies for the stage in 1925, her acting ability was still rated high—but of money there was none. She proceeded to enhance the one and replenish the other.

Now, at the age of 59, Nazimova is back again in Hollywood—her acting career finished, no money. But with oodles of enthusiasm for the new career on which she is embarking—production consultant to George Zukor for the screen version of "Saza," starring Isa Miranda, Herbert Marshall and John Barrymore.

"Every actor or actress should know when to stop acting," said Nazimova to this writer. "I don't want to go on pretending until I'm a 100 years old that I can play ingenue roles. And, as there are no such parts nowadays as a romantic, middle-aged woman in love, I have decided to retire permanently as an actress." And Nazimova heaved a sigh that sounded surprisingly like relief.

"I hated my pictures," she continued, "I scream my head off whenever I see my old films. (Six of them are in Nazimova's possession.) In those days we had to overact to make up for the lack of words. It was awful. And the make-up and photography! Those great black and white eyes staring out at you. And my hair! Remember how it stuck out as if I'd gone wild?

"They wouldn't let me grow up in pictures. I was 43 when I made my last film—but they still wanted me to play young Hoydens. I suppose they were right from a money point of view, because every time I were a long skirt and had a little dignity the picture flopped. I insisted on being a mother in 'Madame Peacock.' The producer compromised and let me play the mother if I also played the daughter, but it was no good—the picture flopped."

Hollywood, of course, was quite different in those days—the studios were shacks, the stages, made of cardboard, were lit by the sun. When I first worked at Paramount it was called the Robert Brunton studio. There are still two man-holes on the lot that have the name carved on them. Where my dressing room, bungalow and garden used to be is now the commissary. It was like coming back to a new world."

At the Renaissance

With July on hand and the weather apparently agreeable, the management of Renaissance are prepared to open their summer garden just behind the restaurant. It will be characterized by the absence of mosquitoes, it is said. The same tasty zakouska and delicious Russian and Caucasian dishes as were served during the colder weather will be available in the garden, while the Koudatieff Trio will render appropriate music for dinner and dancing.

Metropole Ballroom

Doubtless many who are anchored to Shanghai for the hot season will hail with delight the many attractions presented by the Metropole Garden and Ballroom. Situated conveniently at the corner of Bubbling Well and Gordon Roads coolness and airiness will be assured. Abie Santos' orchestra, which has had such a successful term at Paramount has now transferred its merriment to this place and in the hands of the young, energetic leader the plaintive instruments of Hawaiian inspiration lose nothing in allure while his vocal renderings will make strong appeal. Larry, his drummer, will join him. Day-time revellers will find roller skating an attraction.

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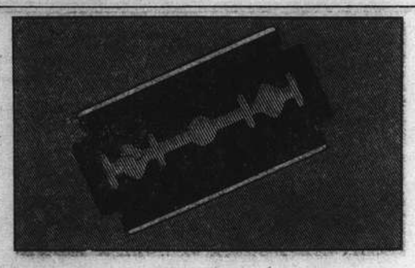

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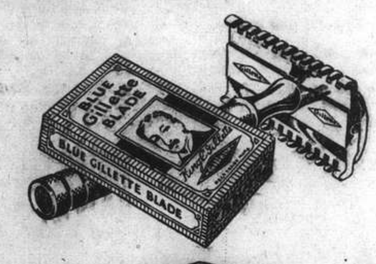

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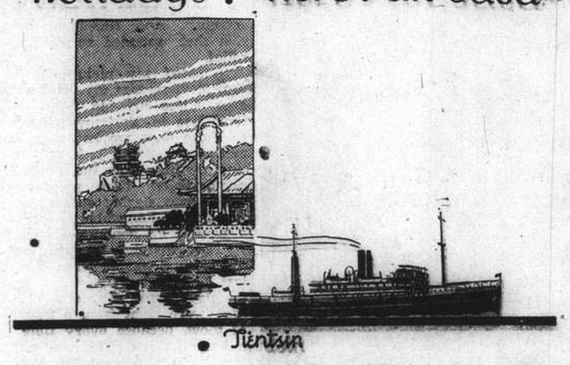

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Articles and letters intended for publication in the news columns of the paper should be addressed to the Editor and not to individuals. Correspondents are requested to typewrite on one side of the paper only. Letters to the Editor should be brief and to the point.

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Announcements in this column $3 per insertion.

BIRTH

LEYMANSHTEIN.—A daughter was born to TANIA, wife of Mr. M. Leymanshtein, at The Country Hospital, Shanghai, on July 2, 1938. 10082

ENGAGEMENT

BROWNE—LECKIE. The engagement is announced between EDWARD HENRY, younger son of Mr. and Mrs. J. E. Browne, of Greenlands, Sampford Arundel, Somerset, and MOLLIE, eldest daughter of Mr. and Mrs. W. E. Leckie, of Old Avenue Lodge, Weybridge, Surrey. 10128

DEATHS

WILLIAMS.—Suddenly on Tuesday, June 28, 1938, at Shanghai, GEORGE MORGAN WILLIAMS, aged 65 years, of Berkeley, California. Removed to the parlours of the International Funeral Directors, 207 Kiaochow Road. Funeral services will be held to-morrow, Monday, July 4, at the Bubbling Well Chapel at 2 p.m. 10109

TYRTOFF.—On July 2, 1938, at 503 I.S.S. Apartments, Avenue Joffre, Shanghai, Captain CONSTANTIN ALEXANDER TYRTOFF, aged 61 years, formerly of the Russian Imperial Navy, beloved husband of Nathalie Tyrtoff.

IMPARTIAL NOT NEUTRAL

LAMALAND ECONOMICS

BY TIBETAN

If Tibet, the Land of the Lamas, the Roof of the World, the Forbidden Land is the El Dorado some would seek to picture it, can we in anyway account for its being so? Does the dominance of religion, the absence of crime and the system of polyandry, make Lamaland the land of peace, rest and quiet we have tried to describe it? Or does its physical, geographical and spiritual position bring to it a tranquility denied to other States? Any country which enjoys isolation is more or less free from border worries and anxieties and any nation or State which is absolutely independent of other nations can enjoy itself while this condition lasts. Is Tibet then quite independent for what it shall eat, what it shall drink and what it shall wear and can it peacefully and quietly rest in the knowledge that sufficient unto the day is the evil thereof? Has the Land of the Lamas any secret, the knowledge of which would make other nations and States peaceful and happy, and if so can that secret be made public?

* * *

The lamas have very little use for Birmingham spoons—they eat their food with their hands; they have very little use for Sheffield knives and Staffordshire pottery on the back of a wild, obstreperous, frisky yak would drive insurance companies to distraction. When the first dynamo was on its way to Lhasa the lamas got hold of it and angrily pitched it over a precipice. Are the lama and and the nomad and the merchant satisfied with their present position and condition and does this condition and position ensure them the peace, quiet and rest which they now appreciate and enjoy? Has economics—and by economics we mean the production and distribution of wealth as it affects the welfare of the community—anything to do with the peace and happiness of the Land of the Lamas? If we take the population of Tibet as that of Scotland, about 5,000,000 people, has it, or can it develop an economic condition likely to destroy its internal quiet and disturb and distress its next door neighbour? A coal strike on the Roof of the World seems quite impossible, firstly, because there is practically no coal in the Forbidden Land, and secondly, because the Tibetans burn cow manure. It may have a nasty smell and cause considerable inconvenience to the nose but no one can deny its heating propensity and its ability to keep a nomadic tent warm and cozy: and it is perfectly free, as free as the mountain air that the Tibetan breathes, and it may be gathered without price. Therein lies its convenience. Litang is 14,000 feet above sea level and the principal fuel burned by the 3,000 lamas and about 10,000 people is yak manure.

* * *

The great Litang plain stretching away below the large lamasery is the grazing ground for thousands of yak and here the yakherd may be seen gathering enormous quantities of yak manure. This is carefully piled up and forms a convenient fence round the nomad's tent and is used as an enclosure for his cattle. And houses on the Litang plain are sometimes built of yak manure. As a fuel it holds the heat and makes a very comfortable fire when it reaches the state of a red glow. And surrounding Litang, north, south, east and west, are enormous grazing lands with thousands and thousands of yak and tons and tons of yak manure. The highest we ever slept was on a plateau 15,000 feet high and one day from Litang. It was in the sunny days of June but we had a heavy snowstorm before we got our tents up.

* * *

Some of the Ulag drivers unloaded the yak, others erected the tents and a few went to a nomadic encampment and carried back a load of dried yak manure. The Ulag drivers as a rule usually carry some resinous pine with them and this helps to get the manure into a flame. The yak manure is shaped like large dinner plates from one to two inches thick and when mixed with straw and hay there is very soon a welcome blaze. On this cold, high, plateau, the wind was blowing and the snow was falling, and our bedding had somehow or other got wet. A kindly nomad placed a couple of stones on the tent floor and carried from the camp fire some red, hot, glowing yak manure and in a few minutes we felt quite comfortable.

* * *

And this yak manure is a wonderful adaptation. Try a coal or wood fire inside a nomadic tent or a Tibetan house without chimneys and watch the reaction: and continue to watch it when every door and window is closed on a cold and stormy night. This fuel is gathered everywhere and by everyone and everyday and made into plates which are plastered on house walls to dry. A nomadic mother is worried by her offspring and to keep them busy the youngsters are sent all over the valley to gather yak manure. The young nomadic maiden takes charge of this on their return, makes it into patties and stacks it on the pile. Great fun! But no coal strikes and no Ministry of Labour and no all night sitting to discuss a nasty problem. And what is more, and perhaps more important, no economics. There lies the yak manure; take it or leave it.

The warm sun will soon dry it up and it naturally becomes a cake ready for the nomad or lama fire. No effort whatever is made at statistics, production or distribution, the welfare of the community is nicely maintained and everyone enjoys a nice warm, cozy, fire, a bit smelly to begin with, but soon comfortable and satisfying and enjoyed by all.

* * *

The lama enjoys peace and quiet and rest simply because he has carefully eschewed economics and kept his wife and life on a very simple and unostenatious plain. No one who has ever seen a nomad will deny the fact that a change of some sort would do him good. The Tibetan nomad is a strong, handsome and well-built fellow, and if attired in a loose, summer, suit would be an attraction in any part of London and in any strata of society. Here surely is something with a sound economic basis and if the nomad indulged in winter suits there might be some measure of success. The woolly nomad may never wear trousers, in fact may not feel very comfortable in them, and after he has purchased a suit of nice Scottish Tweeds, and encouraged British trade, and guaranteed his credit on a very sound basis, he may sell his Scottish Tweeds for a yak load of hard, smelling, rancid, nauseating butter. His credit may be all right, the difficulty would be his address; and after he has given it where are you going to find him? And suppose the whole nomadic encampment, men, women and children, indulge in the credit system and order yak loads of Jacob's Biscuits, Cadbury's Chocolate, Sunlight Soap, Baldwin's Wool and other British manufactures, on what basis will the credit agreement be arranged? The nomad's property, including his wife and family, is all movable: he owns no castles and possesses no lands. The lands his yak graze on are distantly held by some nomadic chieftain he may never have heard about or seen and whose only claim to them is that no other body claims them.

* * *

Property in the Land of the Lamas has not yet reached that stage which calls for lawyers and Courts of Law. The nomad with his large herd of yak sees a nice bit of grazing land, sticks up his tent and his yak enjoy the grass. If any self-appointed tyrant rides down on him and demands the meaning of his presence in that particular spot the nomad graciously presents his lord with a pat of yak butter and the yak continue to graze in quietness. The nomad lives in happy ignorance of the economic value of land and if any one has the temerity to order him and his yak from this valley he simply crosses the hill into another. Moving, with the nomad, is merely part of his recreation; he owns the yak, the ownership of land never disturbs him. What then is his attitude to the economics of civilization? To begin with he knows little or nothing about them.

* * *

When he gets his radio fixed up on the high plateau and makes the wild, obstreperous yak run his dynamo, he may hear J. M. Keynes speak over the air on "The Economic Consequences of the Peace" and nod his head in sympathetic silence, and if his nomadic wife has any intelligence he may tell her "it is all fine." But is it fair or kind, democratic or Christian to introduce the subject of economics into the Land of the Lamas? And when the Tibetan financiers, industrialists and bankers meet in conference at some yak butter dinner party in Lhasa would it be wise or generous to suggest long credits and thus inveigle this simple-minded people in a distressing economic entanglement.

It may be all right to say that the inhabitants of Bradford and Sheffield will starve to death if the nomad doesn't throw away his sheepskin and wear a cotton shirt or cut his nails with a Sheffield knife. The economic issue would be: the natives of Bradford starve to death and the woolly nomad freezes into the same condition, but at the present time the lama and the nomad enjoy a peace and quietness which this world cannot give or take away. And it would be most unfortunate to disturb it or destroy it.

* * *

Tarchen Baboo, editor of the Tibetan newspaper, has a peculiar knack of getting hold of news tit-bits and passing them on to the lama for what they are worth: imagine the red-robed lama getting hold of this and passing it on without comment to his woolly nomadic brother: "Washington, Jan. 18, U. S Deficit Exceeds $1,500,000,000." Tarchen takes great delight in the use of digits and when he strings these out in his Tibetan newspaper both the lama and the nomad are inclined to turn their prayer wheels faster than they would otherwise do. If economics is the production and distribution of wealth for the welfare of the community, how and where is the nomad going to begin? As far as we understand the nomad he makes no effort at producing or distributing anything apart from the nauseating aroma that continually surrounds his person. And what can he produce and what can he distribute? The yak produces rich milk, the milk produces rich butter and cheese. Production! Now for distribution. The Tibetan farmer living at a much lower level feels his need of milk, butter and cheese. The farmer distributes his barley, the nomad distributes his butter. Distribution! If this is simple economics the nomad will reach the lama's paradise without discovering the fact.

Imagine what trouble and distress there would be on the Roof of the World if the nomad knew anything of the Law of Diminishing Utility and the Law of Satiety of Wants. The only economy he has so far made any effort to practise is an economy of international relations. Apparently the nomad has discovered that familiarity not only breeds contempt but a whole nest of other things and so he has strictly adhered to economy in any friendship with the civilized world. And a friendship, no matter how sound it may be, based on exports credits is sure to introduce international complications and even bring about a world war. And the nomad is determined if such a state of things should come to pass he is not going to be a partner to it. And is he justified in saying: "Go thou and do likewise?"

Wisdom from the Weeklies

Marriage Aspects Marriage is in the news just now—which means, of course, that it is in the public mind, observes Lady Rhondda in "Time and Tide." I am not suggesting that marriage is ever exactly out of the public mind. It is always with us. But all the institutions by which our lives are patterned have a way of stepping in and out of the spotlight of obvious public attention, and at the moment marriage has stepped into it. Perhaps it was Mr. A. P. Herbert's Marriage Bill which set people thinking and talking about it, stirred conferences into discussions and writers into book production. It is its economic aspect with which at the moment people are most concerned. That is not surprising. The surprising thing is that so impossibly anomalous an economic arrangement as the English marriage of the twentieth century has gone on for so long as it has without something being done about it. But the fact is partly that it is uncommonly difficult to tackle — partly that marriage does work, in spite of it, so amazingly well, on the whole, that we hesitate to touch it.

* * *

Miniature Disasters The disasters that have so far occurred in China and in Spain are but miniatures of what can be done by two modern nations of equal strength and equal ferocity, observes the "Spectator." Any one so foolish as to think they are of little importance because China, and even Spain, is far away, should reflect that the fate of Chinese and Spaniards today may be, on a more horrible scale, his tomorrow. And if he thinks that at least it does not concern him as yet, he should realize that the air attacks on the cities of Spain and of China already mean that the science and material advances which have been Europe's gift to the world have degenerated into weapons of destruction. No good European can feel free of the shame implicit in recent events. A civilization, today common to the whole world, that allows such crimes to proceed unchecked deserves to perish, and inevitably will.

* * *

Constant Tax Rise The constant rise in taxes on American real estate—all to often levied to raise for wasteful and needless public spending—must be curtailed by legal or constitutional limitation, rather than enlarged according to the latest proposals of the theorists, intimates "Barron's." The Government should put a stop to uncertainty among real estate investors by refraining from entering the field as a subsidized competitor, and from pumping its I.O.U.'s into the lending institutions, displacing investments in realty loans at the very time that those institutions are under the shadow of the vast amount of foreclosed properties, gloomy monuments to the folly of over-lending in pre-depression days. The courage of one large insurance company in allocating $100,000,000 to housing construction at this time is a hopeful portent. The surprising under-investment in real estate by the wealthier investors, possibly induced by fear of mounting taxation, may after all be an ultimate advantage. It certainly is preferable to over-investment; and the repeated shocks of recurring losses in the stock market may reverse this policy, divering these great resources into the channel of ownership of realty.

* * *

King Oil the Usurper The naval correspondent to "Horse and Hound" writies:—It is a fact worthy of grave consideration that today there is not a single coal-fired ship of importance in the British Navy. Now I see that the Government are turning their attention to the Mercantile Marine, and it is proposed to subsidize the construction of oil drifters. Now I served for some time in trawlers and drifters working in the North Sea, and it was almost universally recognized that the steam-driven craft were superior in many ways to those using oil fuel. I am not an engineer, but the main argument among the experts, as I saw it, was the fact that steam was elastic and could be called upon to perform extra work, whereas oil had its limitations, above which it refused to go. But it is not that point which I am raising; it is the old question of the danger of making the nation dependent on a fuel which in times of emergency would be difficult to obtain. It is serious enough when we consider that our navy of defence is bound to oil as a fuel, for no matter how much is stowed in these islands, it is certain that in the event of war the quantity required would increase enormously, and where is it coming from? Think of the possible position if the nation were to depend on oil-driven ships for its food. Surely common sense points to the curtailment of this fuel as much as possible. Again, we have in this country the finest steam coal in the world. When one thinks of the terrible state of unemployment in the distressed areas, which include most of our coalfields, one wonders why the best customers potentially are taken from them and handed over to a foreign-produced fuel, which would be extremely difficult to carry overseas in the event of hostilities, specially owing to its dangerous qualities. Really the attitude of the Government in this respect seems to verge on nothing short of national suicide.

THE WEATHER

Temperature near Holy Trinity Cathedral Shanghai for 24 hours ending 7 p.m.

Yesterday	Min.	68.5	Max.	79.5
Same date, 1937	Min.	74.0	Max.	84.0

Rainfal nil.

Temperature at Siccawei:—

Yesterday	Min.	66.0	Max.	81.0
Same date, 1937	Min.	72.5	Max.	84.0

Siccawei's Report

State on the morning of the 1st:—Anticyclone over the Sea of Japan. Low pressure over Central and South-Western China. The typhoon to the North-East of Yezo is moving North-East ward. Easterly to Southerly winds along the China Coast. Fine weather in the North and along the Southern Coast. Overcast with drizzle, gradually improving over our regions.

State on the morning of the 2nd:—Pressure high over Japan, Korea and North-Eastern China: low over Southern China.

Probabilities, 4.30 p.m. yesterday:—Overcast to cloudy weather with Southerly breezes around Shantung. Fine to cloudy and North-Easterly to South-Easterly winds over our regions and over the Eastern Sea: Easterly to Southerly around Formosa. Local fog along the Coast.—Siccawei Observatory.

ACKNOWLEDGMENTS

To The Lester Chinese Hospital.:—

Millington Ltd.	$ 10.00
D. E. J. Abraham	$ 15.00
Spence, Robinson & Partners	$ 10.00
Dr. Williams Medicine Co.	$ 50.00
The Robert Dollar Co.	$ 25.00
Compagnie Franco Africane Ltd.	$ 15.00
Commercial Press Ltd.	$100.00
W. E. Abott	$ 25.00
General Electric Co. of China Ltd.	$ 20.00
Standard-Vacuum Oil Co.	$150.00

To The Salvation Army.:—

E. H. Browne	$ 7.00

Hankow's Defence Line Hit By Japanese

Chinese Mountain Positions Said to Have Been Taken; Japanese Ship Passes Boom At Matung; Chinese Rush Reinforcements

Nanking, July 2.

CHINESE positions running along the Tapieh mountain range on the Anhwei-Hupeh border, forming one of the first lines of defence for Hankow, are on the verge of collapse, according to dispatches from the front received here today.

The eastern section of the Chinese defence line, including Shihchishan, Lungtanshan and Wuchiapeilou, was completely captured on Friday by Japanese columns advancing steadily westward from Tsienshan, the dispatches claimed.

Meanwhile, other messages from field commanders stated today that Chinese troops cut channels along the bank of the Yangtze River near Fuhsingchen, 30 kilometres south-west of Wangkiang midway between Anking and Kiukiang, in an effort to check the Japanese drive from Tsienshan.

The latest defeats were said to be causing "confusion" in the Chinese lines.

Dispatches from the northern front stated that strong pressure is being brought to bear on Chinese forces in the northern sector as Japanese units marching from Chengyangkwan and Showhsieh in northwestern Anhwei continued their thrusts toward the southern border of Honan.

According to reports brought by Japanese aerial scouts who flew over the Yangtze about 10 o'clock this morning, streams of muddy water are pouring through the ditches made in the Yangtze bank and flowing at a speed of five knots into the lakes around Wangkiang.

Lakes Rising Steadily

Peh, Hwang and Wuchang Lakes were reported to be rising steadily.

Wangkiang was said to have been flooded as the Tsienshu and Huangshui Rivers overflowed.

Chinese forces concentrated in Anhwei are commanded by Gen. Hsu Yuan-chuan.

The Japanese Okayama detachment opened an attack on Huanshan, Shihchishan and Lungtanshan on June 26 with strong support from artillery units.

Co-ordinating their movements with forces attacking on the front, separate units made detours and struck the Chinese positions from the rear. Fierce fighting raged during the night of June 29 and the following morning the Rising Sun flag flew above the Chinese positions near Wuchiapeilou.

Chinese forces active in this area include the main body of the 199th Division. Defeated units were reported fleeing into the mountains in the north-west—Domei.

Matung Boom Passed

Hankow, July 2.

Reports received here state that in consequence of the flooding of the Yangtze, a small Japanese steamer succeeded in passing the boom in the vicinity of Matung and in landing several hundred Japanese troops near Niangmio between Matung and Pengtseh, who immediately attacked the Chinese positions on the river banks. Hence it is admitted as probable that the Chinese will abandon their positions to the west of Matung. Fighting is said to be still continuing around Hsiangkow to the east of Matung, where the Chinese failed to repel the Japanese attacks.

It is believed that the next Japanese objective are the towns of Hukow and Kiukiang, which are situated on the northern and southern banks of the Yangtze respectively. The majority of the inhabitants of both towns have already been evacuated.

It is furthermore reported from Chinese sources that the Japanese advance on Taihu made no progress yesterday. Other reports even claim that the Japanese have been compelled to retreat in the direction of Tienshan.—Trans-Ocean.

Peasants Save Lives

Hankow, July 2.

The Chi, Lu and Sha rivers, their channels swollen with the flood waters of the Yellow River, are now overflowing their banks, according to persons who have arrived here from eastern Honan.

Loss of life among the Honan peasants, however, is believed to be extremely small, since the flood waters have progressed very slowly. Nevertheless, crops, property and livestock have all been lost.

Manchoukuo and Mongol troops and also those under the notorious bandit chieftain, Liu Kwei-tang, are now stated to be trapped by the floods in the vicinity of Chungmow and Yushih, and are being subjected to attack by Chinese forces east of the Peiping-Hankow Railway.

Part of General Doihara's Division still remain in Kaifeng, Chinese reports declare.

Chinese Reinforced

With Matung in Japanese hands and the boom there penetrated, the Chinese are hastily erecting further defences in an effort to halt the Japanese advance on Kiukiang.

Besides closing the Yangtze at Hukow to traffic, the Chinese authorities are understood to be constructing a boom at Hukow and another at Kiukiang. At the same time, heavy reinforcements are pouring into the Hukow area.

Following the fall of Matung, the Japanese on the north bank of the Yangtze captured Wankiang, opposite Matung.

The Chinese and Japanese forces are now said to be facing each other at Liangchuancheng and Chuancheng, north-west of Wankiang.

Both Pengtseh and Hukow, which are on the south bank below Kiukiang, are being subjected to severe daily bombings.

Fighting is said to be going on at present at Liangliangmiao, east of Pengtseh.

The Matung boom was first crossed on the afternoon of June 29 by smaller Japanese boats, it was revealed today.—Reuter.

Japanese Influence Not Wanted

"The Times" Comments on China's Motives in Dyke Breaching in War Areas

London, July 2.

"The destruction of river dykes in China is being attributed by the Chinese to the Japanese and by the Japanese to the Chinese," "The Times" stated in an editorial this morning. "But even if, as is probably true, the Chinese themselves have here and there breached the dykes of rivers on the line of the Japanese advance as a military measure of defence, their wilful destruction is the direct result of the Japanese invasion."

The paper then referred to the aid given China by foreign engineers for the construction of such dykes.

"China in the course of the last two years looked more frequently toward Europe on condition that the latter's aid should be impersonal, such as the League of Nations."

"It is obviously not a national task but a common duty of humanity to prevent the spread of disease and to help China at least in this respect." "The Times" added.

"Japan has in fact made it abundantly clear that she desires nothing so much as to draw the whole of China into her orbit," the journal continued. "Her sincere object is certainly to impose upon the Chinese her own form of national reconstruction. But the Chinese with a unanimity rare in their history, do not desire to put the print of Japan on their ancient civilization, and seem likely to resist to the bitter end her attempt to impose it by force. They have begun a notable enterprise of reconstruction on their own with the disinterested help of the League. They preferred and still prefer a work attempted in a spirit of service to a 'reconstruction in a spirit of conquest'."—Havas.

"Japan Must Expand Or Explode"

Harvard Professor Sees Danger for N. E. Indies

San Francisco, July 1.

Dr. J. Anton de Haas, Harvard University's professor of foreign trade, told the Commonwealth Club here tonight that "Japan has built an industrial structure which must either expand or explode."

"Japan's desperate need for oil symbolizes a forthcoming conflict," the Holland-born educator warned. "It is a symbol of an ever increasing struggle for raw materials.

"Japan may deem the conquest of the Netherlands East Indies absolutely necessary."

The tragedy of the Orient is the futility of the present Sino-Japanese hostilities.—United Press.

Lighthouse Staff Said Kidnapped

Uncertain Reports from Island Near Foochow

Hongkong, July 2.

The Swedish lighthouse keeper, Mr. Nelsson, and the Chinese staff on Turnabout Island, off Foochow, have been kidnapped, allegedly by Chinese bandits, and the lighthouse is now not functioning, it is authoritatively learned here today.

According to Chinese Maritime Customs authorities in Shanghai, the Customs Marine Department has informed shipping that the lighthouse is now unreliable. A Customs light tender is at present en route to Turnabout Island, from Amoy, and is expected to reach there tomorrow morning.—Reuter.

Cavite Province of P.I. Suffers in Storms

Rain, Typhoon and Floods Cause Much Damage

Manila, July 2.

Damage from three days of torrential downpours, typhoons and floods in Cavite Province today was estimated at $100,000.

The local weather observatory meanwhile predicted an improvement in the flood situation with the passing of heavy rains of the past 72 hours.—United Press.

Mme. Litvinov Reported To Be Missing

London, July 2.

Mystery surrounds the fate of the English-born wife of Soviet Foreign Commissar, M. Maxim Litvinov, according to a Moscow Despatch to the "Daily Express." The paper's correspondent states that telephonic enquiries as to the whereabouts of Mme. Litvinov, née Miss Ivy Low, only elicit the information that she left her home four weeks ago. The same answer, according to the correspondent, is invariably given in all cases of persons arrested, by the Ogpu.—Trans-Ocean.

King Carol to Visit London

London, July 2.

The state visit of King Carol of Rumania to this city has been definitely fixed for the middle of August. The King will be accompanied by his constant adviser, the former Premier, M. Nicholas Tatarescu. British political circles are attaching considerable importance to the visit.—Trans-Ocean.

Far East Red Army Secrets Told Japan

Fugitive General from Soviet Purge Informs

Tokyo, July 2.

Vital military and other information connected with Siberia is believed to have come into the possession of the Japanese authorities as a result of the arrest of General G. S. Lushkov, former chief of the Soviet secret police, by the Manchoukuo police on June 13 following his flight from Soviet Russia.

The arrest is regarded as one of the most important Japanese coups which could be made at the present juncture owing to the General's knowledge of the defence plans of Siberia.

While confirmation is unobtainable, informed circles here consider that the flight of Gen. Lushkov was the result of the discovery by the Soviet secret police of a plot to assassinate M. Joseph Stalin, the Soviet Dictator, and overthrow the Soviet Government. Gen. Lushkov is believed to have been the leading conspirator.

The Soviet official is reliably learned to have arrived in Tokyo from Changchun on June 21, escorted by Japanese army officers. He is now said to be under strict detention, but there is reason to suppose that he is being very well treated.

Gen. Lushkov is reported to have revealed that a systematic purge of alleged followers of Trotsky in the Soviet forces is in progress in Russia.

He is said to have fled following the receipt of a dramatic letter from Gen. A. Y. Rapis, of the Soviet Air Force, after the latter's suicide.—Reuter.

Conspiracy With Wife

Tokyo, July 2.

The Changchun correspondent of the "Nichi-Nichi" said that Gen. Lushkov "scented personal danger last May when Marshal Vassilii Bluecher, Commander-in-Chief of the Far Eastern Red Army, returned to Habarovsk from Moscow and reprimanded him for the alleged unsatisfactory results achieved by the Far Eastern Commissariat of Internal Affairs, which conducts secret service activities formerly in charge of the Ogpu."

"Shortly afterward Lushkov's secretary was recalled to Moscow," the "Nichi-Nichi" correspondent continued, "and this fact made Lushkov finally decide to flee to Manchoukuo to escape execution by a firing squad.

"Lushkov sent his wife Ena to Moscow with a secret understanding that he would smuggle himself into Manchoukuo while she was to flee to Poland.

"Lushkov then left Habarovsk on a trip to inspect the frontier. Moving southward along the border, Lushkov reached Changlingtze near Hunchun on June 12.

"There he received a telegram from his wife reading, 'Herewith receive my kiss.' This meant she had succeeded in fleeing out of Soviet territory.

Appeal Written in Blood

The Changchun correspondent of the "Tokyo Asahi" said documents in the possession of Lushkov contained an appeal written in blood by Gen. A. Y. Rapis, Commander of the Soviet Far Eastern Air Corps, who committed suicide when charged with counter-revolutionary acts.

The appeal, written by Gen. Rapis on September 17 of last year, was addressed to the Central Committee of the Communist Party and protested against the "third degree to which he was subjected with oxygen and celluloid," the correspondent said.

Denying the accusations of counter-revolutionary activities, the appeal declared, "This is my reward for seventeen years of devoted service to the Soviet Government. I can't stand any more."—Domei.

Unique Test for Fascist Party Secretaries

Il Duce Watches Officials Jump Through Blazing Hoop

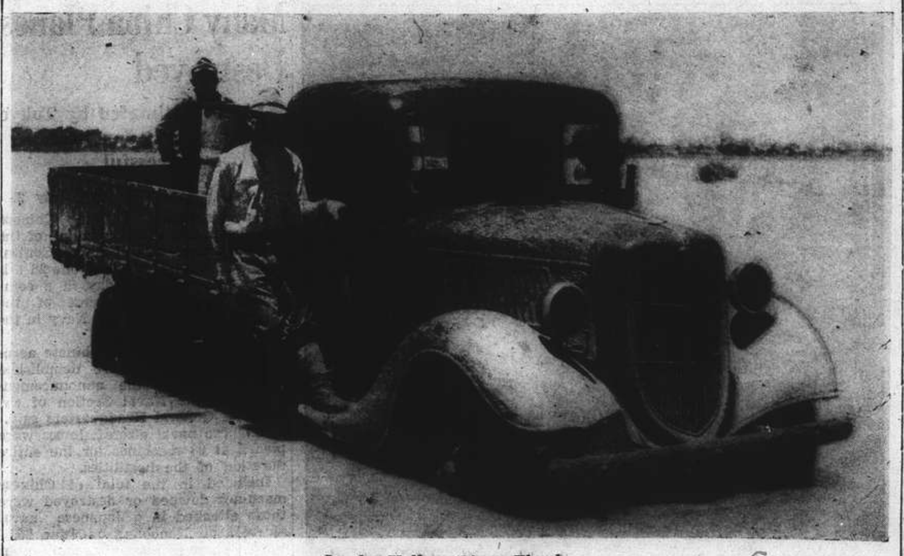
Rome, July 2.

Fascist federal secretaries from every province yesterday took a flying jump through a blazing hoop to prove their qualifications for attending the Fascist Party conference in Rome.

The jump was one of a series of seven physical tests ordered by Signor Mussolini.

Signor Achille Starace, Secretary of the Fascist Party, led sixty competitors, but only he and seven others successfuly completed all tests, in which three men were injured.

Il Duce watched the performance and gave praise where praise was due.—Reuter.



In the Yellow River Floods

Illustrating the difficulties encountered by the Japanese army in Honan following the Yellow River floods is this picture which shows a Japanese army truck, plastered with mud, making its way over a military road that is now covered by the flood waters. The photograph was taken near Chungmow.

Anglo-German Accord Reached On Payments on Debts

Austrian Loan Obligations Recognized; New Trade Agreement Arranged; Further Negotiations

London, July 2.

CONSIDERABLE relief was afforded many British holders of Austrian or German bonds, when Sir John Simon, Chancellor of the Exchequer, announced in the House of Commons last evening that the British and German delegations which had been negotiating a revision of Anglo-German payments had arrived at a settlement, the agreement to take into account the incorporation of Austria in the Reich.

"The basis of the settlement," the Chancellor said, "is that, without prejudice to the question of legal liability, the German Government will reimburse the United Kingdom Government for any sums paid in respect of their guarantees of Austrian guaranteed loans, and assure a full service of bonds of these loans owned by British holders on July 1, 1938.

"The settlement also confirms the principles of an arrangement reached between the German representatives and the German long-term credits committee regarding the future service of other German and Austrian long-term debts.

Details of Servicing

"Under the arrangement the service of the following German and Austrian loans will be:

Dawes Loan and Austrian seven per cent. loan of 1930—five per cent. interest and two per cent cumulative sinking fund.

Young Loan and Saarbruecken Loan—4½ per cent. interest and one per cent. cumulative sinking fund, the latter to begin after two years.

"The service of the German Government four per cent. funding bonds and also of the Austrian Government Creditanstalt bonds owned by British holders will continue in full.

"In respect of other medium and long-term debts of Germany and Austria, there will be a temporary settlement under which, during the next two years, coupons, dividends, etc., will be paid in cash at 50 per cent of their nominal amount, with a maximum of four per cent.

"The standstill agreement relating to banking debts is not affected.

Trade Accord Adjustments

"As regards trade, an agreement has been reached for a revision of the allocations for United Kingdom exports out of the sterling proceeds of German exports to the United Kingdom on a sliding scale, which should enable the level of United Kingdom exports to the Greater Reich to be maintained as heretofore.

"The German Government have agreed that a larger proportion of this allocation will be used for the purchase of finished goods, but that if the sterling proceeds of German exports left at the disposal of the German Government are inadequate to meet their financial obligations to the United Kingdom it will be open to the German Government to approach His Majesty's Government with a view to a reduction of the allocation for United Kingdom exports.

"Finally, the two Governments have undertaken to enter into further negotiations with a view to increasing mutual trade and to improving trade relations between the two countries."

Formal agreements giving effect to these arrangements, Sir John Simon informed the House, were signed and took effect from yesterday.

The statement was welcomed by the Labour and Liberal Opposition spokesmen, who reserved their comments on the substance of the arrangements which Sir John Simon himself had described as "a satisfactory termination to very difficult negotiations."—Reuter.

City Relieved by Debt Accord

London Prices Advance; Germany Silent Over Washington Notes

London, July 2.

The announcement by Sir John Simon, Chancellor of the Exchequer, concerning the Anglo-German debt agreement came after the close of the Stock Exchange yesterday, but Austrian and German loans were marked up appreciably in unofficial street dealings, despite the meagreness of actual business.

The agreement is too intricate to enable the City to arrive at full appreciation of the terms, but the rise in prices illustrates generally its favourable reception.

The undertaking by the German Government not only to continue the debt service on Austrian loans but also to transfer 50 per cent. of the interest to non-Reich loans is particularly welcomed. It is estimated that the transfer will involve some £4,000,000, which is considerably more than at present.

Germany guarantees to maintain the present proportion between British exports of finished goods and total exports while providing a sliding scale for the allocation of sterling proceeds of German exports to the United Kingdom, out of which British exports will be paid.

Great Britain's firm attitude in threatening the establishment of exchange clearing, the opinion is expressed, has been instrumental in bringing about a solution.—Reuter.

U.S. Receives No Answer

Washington, July 1.

He had not received any reply to the Notes addressed to Berlin and demanding that the Reich recognizes her responsibility for the Austrian Loans, the U.S. State Secretary Mr. Cordell Hull declared in a Press interview today.

He refused to comment on the Anglo-German financial agreement on this subject.

The State Department maintains a rigid attitude in its Notes to the Reich, diplomatic quarters assert. They also declare themselves opposed to the introduction of any secondary questions into the discussion of the Austrian debt. By secondary questions they mean problems such as changes in the interest rates due on the Dawes and Young Loans.—Havas.

U.S. Places Record Order for "Flying Fortresses" to Build Up Air Force

Remarkable Trans-Continental Flight Made by Bombers, Acting War Secretary Reveals

Washington, July 1.

In the largest peacetime expenditure for such a branch of its fighting forces, the War Department today placed orders for 98 aeroplanes, the most modern motors and aircraft equipment, costing U.S.$14,433,197, after revealing completion of secret Trans-Continental sub-stratosphere flight by a giant Army "flying fortress."

Thirteen of the new planes will be Boeing "flying fortress" bombers, which will bring the total of such craft possessed by the United States to more than fifty. The other planes comprise 78 Douglas bombers and seven Vultee attacking speedsters.

This announcement followed the statement by Mr. Louis Johnson, acting Secretary of War, that the United States was planning to increase her air force and make it equal to, if not better than, the air fleets of other Powers.

U.S. Lead to World

He made special mention of the value of the "flying fortress" bombers, in which type of machine the United States leads the world. He revealed that Army fliers had just created air history by making the first sub-stratosphere trans-Continental flight.

An Army "flying fortress" bomber hopped off from March Field at Riverside, California, yesterday at 8.41 a.m. (Eastern Standard time) and landed at Langley Field, Virginia, at 8.01 p.m. (Eastern Standard time).

The giant bomber covered the distance of 2,317 miles in eleven hours twenty minutes, flying between altitudes of 13,000 and 16,000 feet when the crew relied on special oxygen breathing equipment.

Colonel Robert Olds piloted the bomber. Major C. V. Haynes acted as co-pilot and Major D. W. Chidlaw was the navigator. There were also five enlisted men aboard.

"Air Engines Best"

"It is another flying achievement," Mr. Johnson said, "credited to one of our most modern military aeroplanes. It is also additional evidence that our planes and engines are the best."

Mr. Johnson indicated that the order for the new planes marked the start of the War Department's efforts to build up the U.S. air fleet into at least 2,500 finest first-line planes by July, 1940.

To achieve this end, further orders for 588 planes will be announced, he said.—United Press.

British Not Concerned With Mediation

Envoy Goes to Hankow on Routine Mission

Hankow, July 2.

Sir Archibald Kerr, the British Ambassador to China, and his party arrived at Wuchang, by air, at 10.30 this morning. Baron Beck-Friis, the Swedish Minister, was also aboard the 'plane.

In an interview with Reuter, Sir Archibald Kerr said that he was unable to say how long he would remain in Hankow, but he would probably "visit Shanghai again" within three weeks. He added that he did not intend to visit Chungking.

Regarding his visit to Hankow, the British Ambassador reiterated his statement at Hongkong yesterday that his trip had no major significance. He was merely maintaining normal contact, he said, with the Government to which he was accredited.

Sir Archibald Kerr will probably see the Foreign Minister, Dr. Wang Chung-hui, at 5 o'clock this afternoon. He has a full programme of visits to Chinese officials next week.

Included in the Ambassador's party are Wing Commander H. S. Kirby, the British Air Attaché, Mr. E. L. Hall-Patch, Financial Adviser to the British Embassy, and Mr. W. D. Allen, personal secretary to the Ambassador.—Reuter.

Franco-Turkish Pact On Sanjaks Ready

Beirut, July 2.

French and Turkish General Staff delegates have definitely settled all practical details for the enforcement of the Franco-Turkish military accords, the protocol of which will be initialed this evening.

Turkish troops will be stationed north of the Alexandretta-Antioch line. Antioch will be occupied by a mixed garrison of French and Turkish soldiers.

The accords were enthusiastically welcomed by the Turkish population who have prepared a festive reception for the Turkish troops.—Havas.

Solemn Ceremony For July 7

Chinese Nation Observe Outbreak of Hostilities With Japanese

Hankow, July 2.

A publicity campaign in connection with the observance of the first anniversary of the Sino-Japanese hostilities on July 7, on which day last year the first shot which started the present war was fired at Lukouchiao, has been launched by the Chinese Government.

The object is to explain to the public that the day represents the beginning of final sacrifices as well as the start of a new chapter in the nation's reconstruction, and to urge the nation to organize support for the army, comfort for the wounded and help for refugees.

In addition to nationwide memorial meetings, the day will witness the presentation of a banner by the Chinese public to General Chiang Kai-shek "for his distinguished services to the nation," and the inauguration throughout the country of a movement for offering gold to the state.

Under a comprehensive programme drawn up by the Government, and which all provinces, cities and villages in China, including those in areas now under Japanese military occupation, are expected to carry out faithfully, all Government and Kuomintang offices, schools and public bodies must hold memorial meetings on July 7 in honour of soldiers and officers killed in action.

In addition, all religious groups are asked to hold prayer meetings and overseas Chinese to hold memorial services.

All provinces, cities and villages are requested to select proper sites for war memorials honouring the war dead, and to hold the foundation laying ceremony on July 7.

At noon on July 7 people throughout the nation, whether indoors or outdoors, are to remove their hats and stand at attention and observe three minutes' silence.

All amusements are ordered to be suspended for one day, while only a vegetable diet is to be allowed.

After July 7, it is further laid down, every Chinese passing a war memorial or a foundation of one must remove his hat in salute.—Reuter.

Combined Operations In English Channel

British Navy, Army and R.A.F. to Try "Landing"

London, July 2.

Combined operations and exercise will be carried out in the English Channel by the British Navy, Army and Air Force between July 5 and 10, with the object of practising surprise landing in "hostile territory," according to an announcement made by the Admiralty, War Office and Air Ministry here today.

The naval forces on the attacking side will be drawn from the Home Fleet and Portland and will be under the command of the Rear-Admiral commanding the Second Cruiser Squadron.

The naval forces on the defending side will be drawn from the Portsmouth and Plymouth commands and will be under the command of the Commander-in-Chief at Portsmouth. They will consist of six destroyers and some submarines.

Infantry troops of the Third Division of the Southern Command will be taking part in the exercises.

No. 16 army co-operation squadron of the Royal Air Force will carry out necessary tactical reconnaissance for the defending force.—Wireless through Reuter.

Mr. D. G. Somerville, M. P., Dies

Saint Leonards, July 1.

Mr. Daniel Gerald Somerville, conservative M. P. for East Willesden, died today at the age of 58.—United Press.

Plot to Kill General Fails

Two Chinese Escape in Commandeered Car After Attack on Teng Pen-ying

A PLOT to assassinate Gen. Teng Pen-ying, former commander of the Chinese garrison on Hainan Island, in his residence at 5 Bedford Terrace, Avenue du Roi Albert, was revealed yesterday. It was understood that the police of the French Concession and International Settlement were looking for two Chinese who, armed with pistols, went to the General's house on Friday afternoon but failed to carry out their plan when the retired army officer grappled with them and threw one of them on top of the other down the stairs. The men fled immediately without having fired any shots.

Early reports indicated that two Chinese had attempted to rob the Bedford Terrace residence, but last night the true facts were disclosed. The following circumstances were ascertained:

At about 2 o'clock on Friday afternoon a Chinese private chauffeur was met by two well-dressed Chinese in Hankow Road near Chekiang Road. The men got into the chauffeur's car and directed the driver to take them to Hongkew by way of the Szechuen Road Bridge. Halted at the middle of the bridge by a Japanese naval sentry, one of the passengers produced a pass which was inspected by the sentry, who promptly told the driver to proceed.

The chauffeur was then instructed to continue along North Szechuen Road to Dixwell Road. At Chi Mei Road (or Matsui Boulevard) the car was made to turn off Dixwell Road and go in the direction of the Civic Centre. It had not travelled far in Chi Mei Road, however, when a Japanese in civilian clothes appeared in the roadway and the driver was told to stop the vehicle. The Japanese got into the car and sat down next to the driver. The four then drove towards the Civic Centre.

Driver Threatened

On Kiangwan Road, before they had reached the Police Station, the chauffeur was ordered to stop again. One of the Chinese behind him produced a pistol and held its muzzle to the back of the driver's head, at the same time telling him to leave the car. As the chauffeur tried to remove the ignition key he was struck on the head with the butt of the pistol and he slumped to the ground. Then the men made him get up and took him into a field where they made him lie down and told him to be quiet or they would shoot him. The Japanese and two Chinese entered the car again and started it towards Shanghai, going at a high rate of speed. The time was then about 2.30 p.m.

Later the driver got up and walked back to Shanghai.

The attempted assassination occurred shortly after 3 o'clock. The car, minus the Japanese, drove up to Bedford Terrace and the two Chinese got out. They went up the stairs, one after the other, and General Teng met the first one at the head of the stairs. One of the Chinese carried a military Mauser pistol in his right hand, and the other a smaller automatic pistol.

General Defends Himself

General Teng, who is over 50 years old, immediately started to defend himself and grappled with the first assassin. Before the man could shoot, the retired officer pushed him down the stairway with such force that he landed on top of the second assassin. This unexpected incident apparently made the men take fright and they ran out of the house without having fired a single shot. They boarded the car again and drove off along Avenue du Roi Albert.

The car continued along Seymour Road to Bubbling Well Road, where its driver turned it eastward. Near the intersection of Medhurst Road it was involved in a minor collision with an Ewo Brewery truck, and the two Chinese abandoned it. They left their weapons—Mauser and automatic pistol—in the car. Both guns were found to be fully loaded, each with a bullet in the breech.

The chauffeur who had been expelled in Kiangwan Road was found on Friday evening and was questioned as to the events of the afternoon. The Police circulated the descriptions of the two Chinese and Japanese, but up to a late hour last night it was understood that no-one had been arrested.

Yesterday evening the Settlement Police and the Russian Regiment, S.V.C., continued their searches in the Louza district. The "red marias" of the Reserve Unit toured the area, and policemen and members of the S.V.C. in steel helmets threw cordons about the blocks and conducted intensive searches.

France Bans Imports of Japan Goods

Tokyo, July 2.

The French Government banned imports of Japan-made canned goods, pottery and porcelain ware, effective yesterday, it was announced here last night. The step was believed to have been designed to counteract the Japanese Government's restrictions on foreign imports.—Domei.

Guerillas Active Near Peiping

Japanese Being Harassed In Many Parts; Fighting Raging at Sungkiang

Peiping, July 2.

With the approach of the first anniversary of the Sino-Japanese hostilities, the Japanese are finding themselves battling near points where the opening shots were fired on July 7 last year.

Chinese guerillas are active within a few miles west of Peiping. Fighting is going on between guerillas and Japanese troops at Nankow Pass, while in the neighbourhood of Miyun large forces of Chinese guerillas have forced the Japanese to bring their artillery into action in an attempt to blast them from their positions in holes inside the Great Wall.

Japanese troops have also launched a general campaign in the triangle formed by Peiping, Paotingfu and Tientsin.

The Japanese military authorities estimate that the number of guerillas at present in the provinces of Hopei, Shantung and Shansi total 250,000.

In addition, 28 divisions are said to be in Shansi province, against whom Japanese reinforcements are now advancing for the third time since last October.

On the constructive side may be included the official opening on July 1 of a Japanese-built commercial airport near the Summer Palace and the repair of the Yellow River bridge near Tsinanfu, enabling the resumption of the railway service between Peiping and Tsinanfu.—Reuter.

Active Around Shanghai

Guerilla bands around Sungkiang area continued to be active yesterday, according to information from Chinese sources.

In order to reinforce Japanese garrisons in the vicinity, about 1,000 Japanese troops were reported to have marched from the Civic Centre to Hungjao on their way to Szeking. At Dazang, the troops stopped over for two hours' rest.

Gun fire was again heard in the western district at about 4 a.m. yesterday, but it ceased very shortly.

Severe fighting between the guerillas and the Japanese was reported to have taken place near Sungkiang, Tsingpu, Szeking and Chuanglientang during the past few days. Japanese reinforcements were said to have been despatched to these places to dislodge the Chinese.

Chinese Crew Awaiting Trial in Japan

Japanese-Chartered Ship Seizure Said Plotted

Tokyo, July 2.

Eleven members today were awaiting a trial at Toyama on charges of having conspired with the authorities at Pakhoi, Kwangtung, to have the vessel seized.

The alleged attempt to inform the Chinese authorities of the ship's position took place on August 27 last year when the Kuli, chartered by the Kawasaki Kisen Kaisha, was on her way from French Indo-China to Fushiki, a port near Toyama.

Twelve members of the crew were originally indicted, but one was freed as a result of the preliminary examination.—Domei.

Nazi Officials Arrested For Corruption

Twelve Sent to Dachau Concentration Camp

Vienna, July 2.

Twelve officials whom the Nazi Party appointed to administrate certain private businesses were arrested today on charges of corruption.

They have been sent to the Dachau concentration camp in Bavaria by order of the High Commissioner, Herr Joseph Buerckel, who is instituting an inquiry into these cases and others concerning the confiscation of property.—Reuter.

Salzburg Nazi Chief Tells Details How Austria Was Taken Over in Anschluss

Dr. Reiner, Active Participant, Narrates Events During Tense Hours in Vienna on March 12

Salzburg, July 1.

Details on the manner in which the Nazis assumed power in Austria on March 12 were given here today by Dr. Reiner, head of the Salzburg Nazi district.

Dr. Reiner spoke from experience as he played an active role in the sensational developments at the time of the Anschluss. It was he who commanded 6,000 Austrian Storm Troopers and 800 Austrian Blackshirts to march on the Federal Chancellory to shut down that building, where the Federal President Dr. Wilhelm Miklas, held out after the resignation of the Chancellor, Dr. Kurt von Schuschnigg, refusing to nominate a Nazi to the vacant chancellorship.

"May God Come to My Aid!"

It was at that critical time that President Miklas uttered his world-ringing words, "I declare to the world, I cannot nominate a Nazi Chancellor. May God come to my aid!"

Shortly after, at 8 o'clock in the evening, Hitler Youths began to demonstrate in the streets, where Swastika flags were already making their appearance.

Forty men received orders to occupy the Chancellory. Among them were many who had participated in the July 25, 1934, incident when their efforts had been frustrated and the whole affair ended in the assassination of the then Chancellor, Dr. Engelbert Dollfuss.

Gestapo Chief Arrives

At 11 o'clock, Dr. Reiner continued his description of that fateful March 12's developments, President Miklas accepted Dr. von Schuschnigg's resignation. He entrusted Dr. Arthur Seyss-Inquart, then Home Minister, with the formation of a provisional government.

Then, during the night, Herr Heinrich Himmler, Head of the German Secret Police, arrived in Vienna the first Nazi chief to reach the capital of Austria.

After this, events followed each other swiftly, culminating in the final Anschluss, Dr. Reiner concluded.—Havas.

British Agent Brings Serious News from Nationalist Spain

Paris Newspaper Reports German Penetration Thorough; Commons Statement Due Monday

Paris, July 2.

"SIR Robert Hodgson's report on the Spanish situation proved to be very pessimistic in respect to any settlement of the problem which would depend upon a rapid victory for the Nationalist leader. Sir Robert believes that a victory for Gen. Francisco Franco is still far from being achieved, and could only be so in a considerable length of time," the rightist journal, "L'Ordre" stated this morning. "He considers the German penetration much stronger and deeper than it is generally believed."

"According to him, there is no hope of seeing the Germans and Italians renounce their economic foothold after the hostilities," the paper added. "This foothold of Rome and Berlin is apparent in the Nationalist zone, where the inception is noticeable of a popular estrangement from Gen. Franco whose fate is considered entirely in the hands of Italy and the Reich. The general opinion in circles close to the Foreign Office is that Sir Robert's report will not facilitate things for Mr. Chamberlain."—Havas.

Commons Statement

London, July 2.

The Prime Minister, Mr Neville Chamberlain, will make a statement in the House of Commons next Monday on Gen. Franco's reply to the British protest against the bombing of British merchant vessels in Spanish Republican ports.

The Prime Minister will also outline the Government's view on the subject.

Authoritative circles confirmed that the Netherlands Government had accepted in principle to take part in the neutral committee of inquiry into air bombings in Spain on condition that the creation of the committee is approved by both Spanish factions.

The British Government replied today to the Spanish Republican Government, which requested that the committee investigate into the bombing of planes which took place recently. The Spanish Government was notified that the committee had not yet been constituted, therefore their request could not be met at present.—Havas.

Attacks on British Ships Will Cease

Gen. Francisco Franco Gives Orders to Force; Nationalists Progress

Saragossa, July 1.

At Burgos it was admitted that Gen. Francisco Franco had ordered the cessation of attacks on all foreign shipping and a studious effort to avoid hitting British merchantmen in ports bombed as military objectives.

Gen. Alfredo Kindelan, chief of the Nationalist air force, told the United Press today that the Nationalists plan to build up a peace-time air force of 2,000 planes if they win the war to "enable Spain once more to assume its rightful place among the nations."

Gen. Kindelan said that the new regime would simultaneously develop civil aviation along lines followed by other countries. He said that Gen. Franco since the start of the war had built a powerful air force.

"The great majority of the air force work has been carried out by Spaniards," he emphasized. "...Experience gained in fighting for the honour and integrity of Spain will lay the foundations for a powerful post-war force to meet the necessities of a modern nation."

Considerable Personnel

Gen. Kindelan said the air force was composed of two brigades and two independent squadrons in which were enlisted more than 100 commanders. 200 captains and 600 lieutenants "apart from recruits in training."

He asserted that the Nationalist air force had never bombed a single objective "which was not strictly of a military value." The efficiency of the air force had been proved by the individual performances of the pilots, he said.

Meanwhile on the Tortosa front Republican militiamen resorted to guerilla tactics, striking the enemy's rear and engaging in shipping sallies along the right bank of the Ebro, retarding the progress of Nationalist river traffic.

On the Mediterranean coast the Republican defenders of Valencia were reported to have freed Mora de Rubielos from the threat of encirclement. Gen. Jose Miaja announced the re-capture of "Tooth of Sarrion," a jagged mountain peak which commands Mora de Rubielos. The position was recently seized by the Nationalist commander, Gen. Valera.—United Press.

Bechi Taken by Nationalists

Barcelona, July 2.

A communiqué issued by the Republican authorities today admits that the Nationalists have captured Bechi, ten miles south-west of Castellon. The city guards the highway to Valencia and Sagunta.—Reuter.

Cholera Ward Opened At St. Marie's

French Consul-General's Generosity

A new building with special concrete floors and other arrangements to combat cholera was opened yesterday in St. Marie's Hospital about noon by the French Acting Consul-General, M. P. Auge. The inspiration of the building came from the consul-general himself, and much of the money needed for its preparation was provided by him.

The building contains two wards, capable of accommodating 80 persons. There is also an emergency ward where cases brought in from outside can be treated. Every modern arrangement has been made to ensure the greatest possible cleanliness for sufferers from the disease.

While the new ward was converted from an old building of the St. Marie's Hospital by the French P.W.D., it is understood that the hospital have agreed to turn it over to the F.M.C. in the case of any urgent epidemic. It is estimated that in an emergency 500 people can be cared for in this new building.

Dahlem Memorial Service For Pastor Niemoller

Preacher Speaks of Bold Stand Made for Gospels

Berlin, July 1.

A religious ceremony to commemorate the first anniversary of the arrest of Pastor Martin Niemoller, was held today in the Confessional Church of Dahlem, Berlin suburb, today.

Pastor Niemoller, still kept in a German concentration camp, was a leader in the Confessional Church. He was arrested on suspicion of being involved in a treason plot, allegedly having schemed against the safety of the State.

On March 2, this year, however, a special tribunal found him innocent of the charges brought against him. This tribunal gave a judgment whereby the now world-famous Pastor could have been released on the same day but he was not reportedly being held for further investigation.

Gestapo Agents Present

In the Dahlem church today, several Gestapo agents were present for the commemorative ceremony.

The preacher at the religious service spoke of Pastor Niemoller, saying that the latter had always refused to falsify the Gospel, and had, therefore, come into conflict with the ordinances of the Third Reich.

It was because of his attitude on this point that he had been arrested, the preacher continued, just as had been Pastor Schneider of Dickenshied, Rhineland. The latter, he recalled, is also in a concentration camp, where he has been held for the past seven months.—Havas.

Canadian Leaders On Arms Policy

Premier's Challenge to Opposition; R.A.F. Schools Unacceptable

SPECIAL TO THE "N.C.D.N."

Ottawa, July 2.

Canada's attitude towards Great Britain's defence policy was the subject of a sharp verbal passage at arms between the Prime Minister, Mr. W. L. Mackenzie-King, and the Opposition Leader, Mr. R. B. Bennett, in the Dominions House of Commons yesterday.

Mr. Bennett asserted that the Canadian Government was refusing Britain means to defend herself in the event of war by withholding permission for the establishment of Royal Air Force training schools in Canada.

The Premier denied that British had sought such permission, but added that the Canadian Government should not permit any military force to be stationed in the country under the control of another government.

He challenged Mr. Bennett to test public opinion in a general election.

The course Mr. Bennett had suggested, Mr. Mackenzie-King declared, implied a reversal trend on the part of the British Dominions towards complete autonomy and sovereignty.—Reuter.

Two Major Fires Fought In Eastern District

Two major fires occurred yesterday in the Eastern district of the International Settlement, damaging several Chinese houses.

At 7.45 a.m., two Chinese shops in Lane 111, Urga Road, were damaged and the Fire Brigade spent an hour in extinguishing the flames. At about 3.30 p.m., the firemen had a call from Lane 685, East Seward Road, where three Chinese dwelling-houses were ablaze. Two of these structures were gutted. No-one was injured in either fire.

Robison Road Place Robbed by Gang

A gang of four Chinese, one whom was armed with a pistol, robbed a Chinese house in Lane 216, Robison Road, last night. The robbers took money and jewellery, the total value of the loot being $84. They escaped.

The premises are in territory outside of Settlement limits.

U.S. Exports to Japan Continue High

Imports Slump from All Sources During May

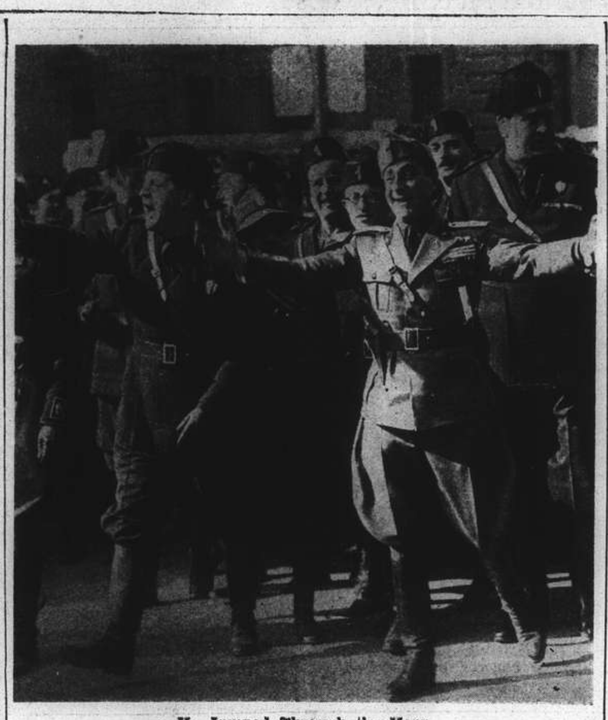
Washington, July 1.

The Department of Commerce revealed today that America imported 48 per cent. less in May this year than last year with imports from Japan falling off sharply.

It was believed the depression in the United States was a major factor in reducing imports from Japan while the unofficial boycott may have been a minor influence. Exports to Japan, however, were fairly high.

Imports from Japan for the first five months of the year totalled U.S.$47,848,000 compared to U.S.$92,386,000 last year and from China U.S.$18,352,000 compared to U.S.$51,637,000.

Exports to Japan amounted to U.S.$109,659,000 compared to U.S.$140,447,000 and to China U.S.$17,767,000 compared to U.S.$26,226,000.—United Press.



He Jumped Through the Hoop

In the centre, his arms outstretched, is Signor Achille Starace, one of the leaders of Fascism who successfully jumped through a burning hoop at Signor Mussolini's direction. Others were not so successful. It is not known whether the gentleman immediately behind Signor Starace was required to go through the test.

Expropriated Mexican Oil Firms Must Pay Workers

Supreme Court Ruling Compels Indemnification of Dismissed Men; Tax on All Exports Due

Mexico City, July 2.

THE Mexican Supreme Court has rejected the expropriated oil companies' appeal against the decision rendered on March 18 by the Federal Junta of Conciliation and Arbitrage, dissolving the labour contracts between the oil companies and their workers.

The Junta's decision was based on the provisions of the Labour Bill advocating the rupture of contracts if the law on labour legislation is not adhered to. The Junta's decision, confirmed yesterday, compels the companies to indemnify dismissed workers.

Despite persistent rumours of an agreement between the Mexican Government and the American expropriated oil concerns, the Supreme Court's decision does not appear to be facilitating the negotiations, and places a damper on current optimistic views.—Havas.

Tax on All Exports

New York, July 2.

The Mexican Government intends to place a twelve per cent. tax on all exports including raw materials, it was announced by the Mexico City correspondent of the "New York Times" today.

Mexico also intends to limit permanently imports by establishing a double exchange rate for the Peso.

The correspondent added that the officials of the Mexican Treasury informed industrialists of the plan regarding the Peso, which would be established at a rate of four to one on the U.S. Dollar for imports and five to one for exports.

The plan will have two objects: firstly to compensate for the deficit in the Budget caused by reduced oil taxes and the economic emaciation, and secondly, stimulate exports and keep imports down to their minimum.—Havas.

1,600 Workers Riot At Factory

Pootoo Road Police and Reserve Unit Evict Hands After "Stay-in" Strike

The combined forces of the Pootoo Road Police Station and the Reserve Unit were yesterday morning called to quell a riot at the China Fou Shing Tobacco Company, 521 Macao Road, where about 1,600 workers had begun a "stay-in" strike because of retrenchments.

Owing to the lack of proper transport facilities, stock had accumulated in the factory and this condition had made the management introduce a scheme of reduced working hours. Yesterday, the staff having struck, the Police were summoned when the strikers attempted to prevent a truck from leaving the premises. Most of the labourers were then already in the upper portion of the building and refused to leave.

The Pootoo Road Station personnel, under Insp. J. A. McFarlane, went to the scene and were later reinforced by the Reserve Unit, whose vans arrived from the Gordon Road Station. The workers barricaded in the factory building started to throw objects, including steel spanners boxes and furniture, at the Police. Insp. McFarlane was slightly injured as were two Chinese constables and several of the workers. Some damage was done by the strikers to the machinery and furnishings. Many windows were broken.

The workers were finally evicted by the Police and order was restored. Last night the factory was quiet, with a Police guard stationed to prevent any further outbreaks.

Soviet to Issue 20-Year State Defence Loan

Five Milliard Roubles to Be Sought at 4 Per Cent.

Moscow, July 2.

The Council of People's Commissars decided today to issue a 20-year state loan of five milliard roubles at four per cent. interest.

The aim of the loan is to "attract the growing savings of the population for economic and cultural construction under the third five-year plan and for the further consolidation of the defence of the country."—Reuter.

Chekiang Refugees Ask To Come Here

Petition for Passages to Military Authorities

Pointing out that thousands of refugees now marooned at Chusan and Wenchow are suffering hardships, a petition has been submitted to the Chekiang military authorities by the Shaoshing Residents Guild of Shanghai, asking that these refugees be permitted to take ships to Shanghai without further delay, a Chinese report said yesterday.

At present ships plying between Shanghai and Chekiang ports are permitted to carry cargoes only.

Return to Normal Times

St. Louis, July 1.

Mr. William M. Martin, Jr., newly appointed President of the New York Stock Exchange, today said that he believed the market would follow an upward trend and he also forecast a return to normal times.

"There is the fact," he said, "that inventories are all washed out and must be replaced. There are the usual indices that business is rising and there is also a new spirit of co-operation between business and Government.—United Press.

H.M. Envoy Expresses Sympathies to Tokyo

Letter on Flood Havoc Brings Gaimusho Thanks

Tokyo, July 2.

Gen. Kazushige Ugaki, the Foreign Minister, today received a letter from the British Ambassador, Sir Robert Leslie Craigie, expressing on behalf of the British Government, deep sympathy for the loss of life and suffering caused by the floods in the Kwanto district.

The letter expressed a hope that the flood would subside quickly and that relief work would be facilitated. Gen. Ugaki, acknowledging the letter, expressed appreciation of the British Government's sympathy.—Domei.

Man Suffers Sun-Stroke In West Hongkew

One of the few cases of sun-stroke this summer occurred shortly after 4 o'clock yesterday afternoon at North Shanse and Boundary Roads. A Chinese man was taken from there to St. Luke's Hospital in a Fire Brigade ambulance. His condition is not believed to be serious.

Argentine Defending Own Cotton Goods

Buenos Aires, July 1.

With a view to defending the threatened Argentine cotton industry, the Trade Federation has requested the Finance Ministry to take special measures to prohibit the dumping here of cotton piece goods by countries where labour is cheap.—Havas.

ASTOR HOUSE HOTEL

CHEFOO

This hotel, located on The Bund, is in the centre of both business and shopping district, possessing commanding view of the sea. Is especially ideal for vacationists. American and European plan. Rates reasonable. Cable Astor Chefoo.

J. P. HUNTLEY, *Manager.*

18378

Many China Planes Destroyed

Losses Estimated by Tokyo Authorities; Japanese Prove Successful

Tokyo, July 2.

The destruction of 1,014 Chinese aeroplanes, from the beginning of the Sino-Japanese hostilities in Central China in August, 1937, to June 26 this year, was claimed today in a communiqué giving a resumé of the activities of the Japanese Navy in the air, at sea, and on land.

Shot down were 498 Chinese aeroplanes, while 516 were demolished while grounded, the announcement issued by the Naval Section of the Imperial General Headquarters said.

Japanese naval aircraft losses were placed at 88 machines for the entire duration of the hostilities.

Included in the total of Chinese machines downed or destroyed were those attacked in a Japanese naval air raid on Nanchang on June 26.

Six Chinese warships and other vessels were sunk by Japanese naval aeroplanes during June, when Chinese forts were attacked on 29 occasions. Chinese military establishments and factories bombed during June totalled 128, the communiqué declared.

Planes Shot Down

During the same month, it was further asserted, 29 Chinese aeroplanes were shot down, while 11 were destroyed on the ground. Japanese naval aircraft losses during June numbered four.

On 24 separate occasions, naval aircraft succeeded in destroying tracks of various railways in China during the month of June, while the number of Chinese troops bombed and strafed from the air ran into five figures, the communiqué further claimed. Naval aircraft were particularly active along the Shangtung-Kiangsu border where Chinese troops, defeated in the battle of Hsuchow, sought sanctuary. Activities of Chinese troops in the vicinity of the Japanese-occupied Lienyung harbour at the eastern extremity of the Lunghai line were noted, but the size of the Chinese forces in that area was said to be dwindling.

Operations on the Yangtze River, the communiqué declared, "are progressing smoothly" with surface units overcoming various difficulties, with the assistance of the air force that had successfully surmounted a long spell of unfavourable weather.

In South China

Turning to South China, the communiqué declared that "a thoroughgoing" bombing of military establishments and traffic facilities near and in Canton had been carried out.

Armed junks operating along the Kwangtung coast had also been disposed of by aerial bombing as well as by shelling.

Conditions in Amoy were claimed to be showing rapid improvement, with people returning in "remarkably increasing" numbers.

Namoa Island, occupied by bluejackets on June 21, was also peaceful again, with the cholera epidemic prevalent there before the Japanese landing already curbed.—Domei.

Man Injured as House Collapses Downtown

A Chinese was injured slightly early yesterday afternoon when portions of the roof and ceiling of a house at the intersection of Foochow and Fokien Roads collapsed. The victim was struck in the face by falling debris and suffered contusions. He was taken to the Lester Chinese Hospital in a Fire Brigade ambulance. Firemen from Central Station went to the scene and cleared the debris.

Nagasaki Maru Delayed

With six Japanese students of Tungwen College, a Shanghai institution aboard suspected of being carriers of cholera, the Japan-China express liner Nagasaki Maru was delayed one day at Nagasaki, local Japanese newspapers revealed yesterday.

The vessel was originally due to dock at Nagasaki on Friday, but was allowed into the harbour only yesterday, the reports said.

The suspects, upon second examination, proved to be free of the disease, the papers added.

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Two Chinese Warships Hit by Bombs

Japanese Planes Active Over Wide Area

Direct bomb hits by Japanese naval aircraft demolished Chinese Municipal Government buildings and military establishments in Swatow on Friday, a Japanese Fleet communiqué claimed at noon yesterday.

Objectives of the air raiders included the Public Safety Bureau, Garrison Headquarters, power plant and railway station.

The Chinese gunboat Hienning, 395 tons, and another Chinese warship were bombed and disabled on the Yangtze River above Kiukiang on Friday afternoon, as naval planes continued operations in spite of bad weather, the communiqué said.

Freight cars near Yingtak on the Canton-Hankow Railway in northern Kwangtung and tracks near the station also were bombed.

Another squadron which attacked Foochow "completely demolished" the arsenal and the Mamoi Dockyards, the communiqué claimed.

Japanese Again Active Near Swatow

Damage to Foreign Firms May be Protested

Swatow, July 2.

The Japanese naval concentration at Fort Island, Haimun Bay, comprises two cruisers, three destroyers, three armed merchantmen and five armed trawlers, it is reliably reported.

An attempted landing at Guasua, in Haimun, under cover of a naval bombardment at 4 o'clock this morning, is stated to have been repulsed.

At 1.15 this afternoon, 15 aeroplanes appeared over Swatow, nine of which bombed the railway station area. There were few casualties, however, owing to the evacuation of the area.

During yesterday evening's air raid pamphlets, as well as bombs, were dropped. The pamphlets said: "The Chinese and the Japanese people are friends. It is necessary to unite to fight the Communist menace for the ultimate peace of China."

Foreign Consuls are urging foreigners to evacuate Kakchiok, and it is believed that a protest is likely to be made regarding the damage to foreign property as the result of air raids.—Reuter.

American Hospital in Foochow Hit

Planes Drop Bombs Near Foreign Wharves

Canton, July 2.

Nine Japanese aeroplanes dropped a large number of bombs in the vicinity of foreign wharves and civil areas in Foochow, according to official Chinese reports received here today.

The reports also stated that one bomb was said to have landed on the American-owned hospital in Foochow.

Nine Japanese areoplanes raided Canton this afternoon. Twelve bombs were dropped in the Saichuen area, the objective presumably being the railway station.

No damage was done, however, owing to the great height at which the machines were flying.—Reuter.

Fire in Foreign House

The Settlement Fire Brigade turned out shortly before 11 o'clock last night to 112 Ferry Road, a foreign dwelling-house, where a bed was on fire in Flat 5. The flames were extinguished in a few minutes, and no-one was injured.

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All Together

WHEN I'm sad I sing—and then other people are sad with me.
—Mark Twain.

* * *

Unanimous

"How did you get on with Bertie?"

"He behaved like a perfect gentleman."

"I found him rather dull, too."

* * *

Embarrassing

SOME years ago a reproduction of a well-known picture was exhibited in a London shop window, with the label:

"When Did You Last See Your Father Reduced to 3s. 6d."

* * *

Seven Years

FROM a schoolboy's essay on "Removing into a New House."

"I think everybody should remove about every seven years because I consider that more diseases are caused by dirt accumulated over long years than by anything else."

* * *

School Humour

"PEOPLE in hospital sometimes have ice put on their heads. That is the meaning of being icerlated."

Teacher: "Why are wars objectionable?"

Pupil: "Because they make history."

* * *

Golfer's Wife

FOR ever doth the golfer roam:
Odysseus might have been one;
Perhaps the golfer has a home;
But I've never seen one in one.
So, bridesmaids, weep for the golfer's wife,
And shun her dreary fate,
For the lighthouse-keeper sees more life
Than the golfer's lonely mate.
—Ogden Nash.

* * *

Says Mr. Peppercorn:

Most of us have dropped a brick, some time or other, saying the wrong thing, or the right thing the wrong way, and many years ago a weekly ran a series of pictures with the title "Things one would rather have expressed differently."

One, I remember, was of a photographer saying to his victim:

"Please look a little pleasant, miss: I know it's hard, but it's only for a moment."

A "Daily Herald" reader has just sent me a story that would have fitted into the series nicely.

The vicar is thanking everybody who has helped with the village bazaar, and finishes up:

"Finally, me friends, I quite realize that we all owe a great deal to the trademen of this parish."

* * *

Cinema Fairy Tales

ONCE upon a time a famous singer's acting in his first film was even better than his singing.

A film was once advertised with painted pictures which were exact reproductions of scenes in the film.

Once upon a time a news-reel was shown that did not contain a single religious or military procession.

Once upon a time a star retired from pictures because ten fans wrote complaining of her performance in a certain film.

"I THINK these gangster films are excellent," said the parent, "because they teach children how to shoot straight!"

"Plenty of room in the one-and-threes," shouted the uniformed official in the cinema lobby, "standing in the five-and-nines!"

"Good gracious!" exclaimed the film fan, "The Royalty Cinema is showing a new Garbo film. I haven't seen it advertised, have you?"

"Dont go in that row," whispered the large woman to her escort; "can't you see that the poor man at the end is very interested in the film; it would be a shame to disturb him by making him get up."

* * *

Robin Hoods

Jack was English, handsome and curly headed, educated at Eton and Oxford, and a white man through and through.

Sam was an American, not quite so handsome, educated at Yale (or Harvard), a dead shot and as straight as a gun barrel.

Pete was a negro, as black as your hat, but "white, clear white, inside," like Gunga Din. He was enormously powerful, had a beautiful tenor voice, and was an accomplished ventriloquist.

These three heroes did nothing but wander through the wilder parts of the world shooting game for food (Sam couldn't miss), putting wrongs right, rescuing hardriding blondes from the clutches of bad men and handing out straight lefts and uppercuts to over-confident bullies.

Pete was the humorist of the trio. Like all negroes, his skull was very thick and nothing could hurt him.

The exquisite moment for twelve-year-old readers was when a bully hit him over the head with an iron bar, and Pete laughed "Yah, yah, yah," and asked "Who frew dat pea?"

This happened in every story with unimportant variations. Although one always knew what Pete would say on such occasions, all always roared with laughter when he said it. In fact, he would have lost all his readers if he hadn't.

His other stock joke concerned Jack, whom he adored.

It was only natural that the hardriding blondes should find Jack's curly head and cultured accent irresistible, and Pete was always afraid that sex would rear its ugly head and break up the team.

So, whenever Jack looked like falling into the marriage trap Pete would make them both look silly with the remark: "If you don't behave yourself, Jack, I shall write and tell your governess at Oxford."

A governess at Oxford, of all things!

Sometimes this joke, which also appeared in every edition, would prove too much and all would become hysterical and get packed off to bed.

One often wonders what Jack, Sam and Pete are doing now, if they are still having adventures.

Perhaps, despite their great age, they have been brought up to date and are putting wrongs right in China.

And perhaps, when a bomb drops on Pete's head, he still laughs "Yah, yah, yah" and asks "Who frew dat pea?"

BY SAPAJOU

A Good Bag

Profit in Note Smuggling

Northern Currency, Central Government Money And Yen Involved; Issue of Subsidiary Paper

FROM OUR OWN CORRESPONDENT

Peiping, June 20.

The absurdities of the present currency position are demonstrated by smugglers at present operating between Shanghai and Peiping. Some handsome profits are reported to have been made.

Starting in Peiping with, for argument's sake, $10,000 in legal tender notes the smuggler or operator changes them here or in Tientsin for Federal Reserve $10,500, that being the rate of exchange obtainable between the two monies.

He then goes to Shanghai and changes his Federal reserve money into yen notes at par, Y.10,500. With these yen notes he can then buy legal tender notes of the three Chinese banks and get anywhere from $10,550 to $10,700. The odd $550 to $700 is the profit on the trip. With the $10,000 in legal tender notes he starts for the north again and repeats the process as often as possible.

The Provisional government have attempted to stop currency smuggling and have instructed the Customs authorities at Tientsin that no one should be allowed to bring in or take out more than $500 at a time. But in this country smuggling is something approaching a fine art and these orders have by no means stopped the practice.

Practice Now More Difficult

The practice may become rather more difficult now that the local authorities have cleared the market of most of the legal tender notes bearing as places of origin Shanghai and Nanking. Only legal tender notes bearing north China cities as places of origin are now allowed to circulate, but it is expected that smugglers will be able to find a quantity of legal tender notes in Shanghai bearing north China cities as places of origin.

A number of notes went out of circulation by decree on June 10 but the average person still has to handle a great variety of paper money. In ordinary small transaction of a few dollars the old legal tender notes, yen notes and the notes of the Federal Reserve Bank circulate at par. In ten dollars worth of change you are liable to get all three kinds of notes.

But it is in the subsidiary notes that there is much complication. The local authorities have blanched before the task of straightening out this money and subsidiary notes are to circulate indefinitely.

The shopper comes across ten and twenty cent notes of all kinds of banks from the Central Bank, Bank of China and Bank of Communications downwards. Then there is a series of small notes issued by the Hopei Provincial Bank to represent copper coins. These range from notes representing 100 copper coins to four copper coins, the intermediary ones being 40, 20, 10 and 6. The value of a four copper bank note at par is precisely one cent, while the six copper one is worth one cent and a half.

Dearth of Copper Coins

The copper coin notes from ten upwards have been in use for a long time but the four and six coin notes have appeared fairly recently and look newly printed. Their appearance coincided with a dearth of copper coins which, with the dollar falling and a war on, became worth as metal more than they represented as coinage. Large quantities are reported to have been exported to Japan.

To add to the small money confusion the Federal Reserve Bank now proposes to issue subsidiary notes of five, ten, 20 and 50 cent denominations.

Then there is occasion to deal with money which seeps down from Mongolia and Suiyuan, consisting chiefly of Manchoukuo bank notes or else Manchoukuo bank notes overprinted for Suiyuan and Mongolia or else notes issued in Suiyuan by the previous régime but now overprinted to make them the "legal" tender of the banks there reorganized since the entry of the Japanese.

The position now is virtually what it was in the days of warlords like Chang Tso-lin. Then all kinds of notes had to be accepted because the warlord's army insisted that they should be accepted. Today nobody knows what metal backing is behind any of the notes in circulation and they continue to circulate because nobody dares to refuse them.

Wenchow People Return to City

Their Former Fears Fail To Materialize; Pirates Increase in Number

FROM OUR OWN CORRESPONDENT

Wenchow, June 25.

There has been a marked change in the crcumstances of this city since the beginning of June when the whole population, including the official classes was in a state of alarm fearing an invasion of the estuary and extensive bombing. Neither of these fears has materialized.

Thoughtful people then pointed out that there was nothing of value to bomb, and that to invade such a peaceful rural area, with its difficult mountain landscape, would bring more difficulty than reward to the invaders. But the thoughtful people were not heard for wild and untrue rumours. Now there are people returning who had evacuated.

The only apparent reason for this change of outlook is the destruction by the populace of the only two objects that could have been used as objects of enemy attack, the airfield and the motor roads. The airfield, which has never been used during this war, and would probably not be used, has so far received over 100 bombs dropped in several raids.

The Japanese Naval authorities have reported to the press that buildings have been destroyed in these excursions, but the fact is that the field contained only an army-hut from the beginning.

Heavy Motor Traffic

The motor roads have been busy with traffic all this year since the buses were extensively used to carry passengers to and from distant places such as Ningpo and places in central China, other ports of entry being closed. To "catch the bus" has recently meant a physical adventure requiring strength and unending patience. Often the vehicle left literally groaning under the weight of passengers and baggage, the passengers also groaning with discomfort.

But now that is all finished. Parts of the road to Juian and Ping Yang have been destroyed. Every 20 yards or so of the road there is a deep gap of some fifteen yards, with two mountains of shovelled-up earth on the roadway. All bridges have also been removed. The roads running north and west have also been stopped in a similar manner. There is not now a motor road in the district where traffic could run.

Colossal Waste

When one considers that the roads are new, having been opened only some two years, or less, and then at tremendous expense incurred by the specially difficult nature of this country of mountains and waterways, one feels appalled at the colossal waste that must be going on similarly elsewhere. In this instance one wonders, why all this hurry?

Tens of thousands of labourers were called out, working at night, and within a few days the destructive work to airfield, and roads had been completed. Was it panic? The roads have been very useful to the Chinese—at any rate to civilians, and could still have been used if preparations had been made to destroy them at the last minute before an invasion by the use of mines, even had there been evidence that an invasion was comtemplated.

Foreign ships still call here, the two or three largest being, ss. Hsin Peking, ss. Tembien and occasionally the ss. Hai Yang from Hongkong. These vessels call in order to fill in their time-table, there being no other ports; the cargo here is insufficient to keep such large vessels busy. There is restriction on the number of boats entering and leaving the port. There is also stricter regulation of travellers. Passes must be obtained by those Chinese or foreigners who desire to leave Wenchow for Shanghai.

Fortunately there is promise of a good rice harvest this year. The countryside remains free of bandits, though bands of pirates in Wenchow Bay have increased alarmingly, making travel by small boat perilous. There are very few sounds or signs of war even in the city, and certainly none at all outside. In the city there are scarcely more soldiers than in peace time, possibly even fewer.

CONTRACT

BY ALBERT H. MOREHEAD

(In The New York "Times")

About seven minutes are required for the bidding and play of the average hand. In extraordinary cases, however, expert players face (or create) such problems in bidding and play that they sit for several minutes in thought before taking any action, and the hand takes as much as 30 minutes. The following hand presented such problems to both the declarer and the defence that it lasted longer than the average rubber.

	♠ A K Q J 7 ♡ A 7 3 ◇ 8 4 2 ♣ 7 5	
♠ 10 9 ♡ K Q 10 ◇ A J 5 ♣ A 10 9 4 2	NORTH WEST EAST SOUTH	♠ 8 5 4 2 ♡ 9 6 4 ◇ 10 9 3 ♣ 8 6 3
	♠ 6 3 ♡ J 8 5 2 ◇ K Q 7 6 ♣ K Q J	

South dealt, with North-South vulnerable. The bidding:

SOUTH	WEST	NORTH	EAST
Pass	1 Club	1 Spade	Pass
1 No trump	Pass	2 No trump	Pass
3 No trump	Pass	Pass	Pass

West opened the ten of clubs, and South won with the jack. Counting five spade tricks and one heart in addition to his club trick already won, South saw the need of establishing two more tricks. He had one trick in diamonds and one in clubs, except that he would have to give up a trick to establish each of them, and would possibly have no entry back to his hand to use them.

South's first lead, after long thought, was the king of diamonds. West, after equally long thought, refused to win the trick; but carefully dropped the jack of diamonds instead of the five, gambling a trick against the danger of being thrown in later. These two plays took about fifteen minutes.

Having won a trick but failed to save an entry to his hand when the club might become established, South next was careful to play three rounds of spades, so that West could not later avoid leading by throwing dummy in with a spade. Then a club was led, West taking his ace.

West now led the king of hearts, hoping dummy's ace would win it and that South would later be squeezed when the remaining spades were taken. South simply ducked, however, letting the king of hearts win the trick. Now West could not lead hearts without letting South take a trick with the jack; a diamond would give South a second diamond trick, and a club lead would give South a ninth trick. South therefore made his contract.

Frank Morgan and Ray Bolger have been added to the cast of "Sweethearts," new Jeanette MacDonald-Nelson Eddy film which is soon to get under way at the Metro-Goldwyn-Mayor studios.

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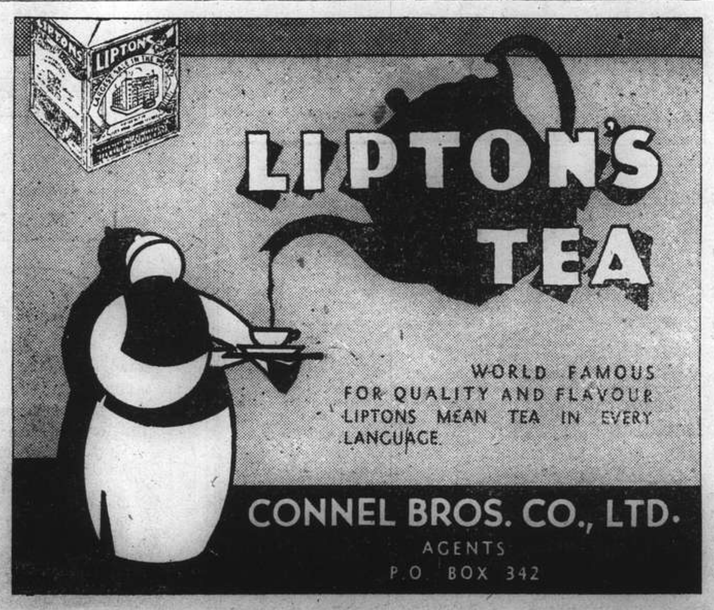

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Canton Not Defended City, Declares Correspondent

Anti-aircraft Batteries on Hills Outside Not Attacked, But Congested Districts Bombed

JAPANESE apologists have recently repeated the statement that Canton is a well defended city and is therefore a legitimate target for bombing raids. In the following article Hessell Tiltman, special correspondent for the "Daily Express", London, who was in Canton for a month during the worst of the bombings, answers the Japanese allegation, and repeats the charge that the raids on Canton constituted "indiscriminate bombing." He bases his assertions on official figures and his own observations made at the time.

BY HESSELL TILTMAN

Canton, June 20.

Had the Cantonese taken a popularity ballot this week, first place would have gone to General Wu Teh-chen, the energetic, courageous, unruffled Governor of Kwangtung, while the candid Mr. Yoshida, Japanese Ambassador to the Court of St. James, would have run the Governor a close second. In contrast to the utterances of the Nakamuras, Nomuros, and other Japanese the blunt declaration of Mr. Yoshida that the motive for the dumping of more than one thousand bombs on 190 different points of this city during the past three weeks was the demoralization of the population, has been hailed here as a uniquely honest statement by a uniquely honest Japanese.

As a commentary to Japan's now officially-admitted campaign of terrorism some official statistics handed to me today by General Wu Teh-chen are illuminating.

Between September 1, 1937, and June 7 last, there have been more than 1,400 raids over Kwangtung province, including 432 on Canton. Five thousand, nine hundred and eighty-six planes participated, and 10,292 bombs were dropped. The number of houses destroyed totalled 5,027, while 4,595 civilians were killed and 8,555 injured in Kwangtung province as a whole, including many farmers working in the fields.

In Canton city alone, 1,500 civilians were killed and 5,500 injured (sixty per cent. of all surviving wounded are minus one or more limbs). These figures have been carefully compiled after a check-up of all hospitals and rescue-squads.

Fact and Fiction

So much for the grim facts. Now for the fiction.

It being, most unfortunately, impracticable at the moment to invite the Japanese spokesmen personally to visit Canton for a conducted tour of the hospitals to investigate the results of dropping high explosives down on a congested modern city it is important that the kindly Japanese people, no less than the outside world, should be accurately informed as to just what is happening at Canton.

Canton is not a "heavily defended" city. This has been stated before and may very well be stated again. There are some useful anti-aircraft batteries on the hills outside (which the raiders have not once attempted to destroy) but the air defences within the city limits have never prevented the raiding airmen from descending to a thousand feet and machine-gunning all and sundry below. Chinese civilians have been fatally injured by Japanese machine-gunning from above during night raids on the Bund, within twenty yards of the British Concession; that no foreigners have yet been slain within the boundaries of Shameen is due to good fortune. Missiles, in plenty, both Japanese and Chinese, have descended on all parts of the island.

British School Hit

Mr. Nakamura, in a letter to the Hongkong League of Nations Union, declares there has been no "indiscriminate bombing." Two days ago I scrambled over the heap of rubble which was all that remained of the English-owned St. Hilda's Girls' School, property of the Church Missionary Society, hit during a night raid. Following their now usual habit—as carried out in more than thirty different sections of this city—the Japanese pilot emptied his bombrack over this "objective" hoping, presumably, that one of the six bombs released would find the target. All six struck in a straight line one hundred yards in length. The first three hit and demolished private houses; the remainder crashed in different parts of the school premises. If this does not constitute "indiscriminate bombing" over an open city, then maybe some Japanese will define the term.

The popular parlour game among the handful of foreign newspaper correspondents here is to try and guess what conceivable "military objective" the raiders are aiming at in any particular case.

During these last days I have travelled scores of miles around the scenes of explosions seeking anything more "military" in character than a traffic policeman within a mile radius. In most cases I have failed.

In the case of St. Hilda's School, the premises were situated adjacent to two crowded hospitals, one of which (German owned and staffed) escaped by a hairs breadth. The only other public institution within half a mile radius was Holy Trinity College, also owned by the Church Missionary Society, which that night had a second narrow escape in a fortnight when a bomb landed a few yards from the front entrance, creating a crater thirty feet deep.

Government Buildings Unharmed

As for Mr. Nakamura's statement that "the technique of aerial bombing still leaves something to be desired" and, further, that "one hundred per cent. accuracy cannot be attained", it is now a stock joke at Canton that the safest place in which to shelter in a raid is one of the government buildings scheduled for demolition on lists compiled by Japanese spokesmen. Some dozens of bombs have been thrown at the Civic Building. A few of its windows have been broken, but when I called there this morning, the Mayor's staff was still working quite happily. Several dozens of civilian homes within a half mile radius around have, however, not been so fortunate.

No Chinese troops have been killed or injured, apart from a few new recruits working with the rescue-squads who have been machine-gunned while getting out the dead and dying. The net military result of hurling approximately one thousand bombs down on Canton in the space of seventeen days has been precisely nil.

I suggest that the Japanese Spokesman should either admit the truth of these facts, attested by foreign consuls, doctors, professors, newspaper correspondents and business men on the spot, or, if they are disputed, arrange with the Rockefeller Foundation to rush to Canton a special committee of leading specialists to investigate the most astounding case of mass hallucination ever recorded in medical history.

A word of praise should be given to the Japanese intelligence service, which is so good it is difficult to understand why the Japanese spokesmen choose to make the statements they have at press conferences. There are some hundreds of Japanese-paid spies in Canton, whose function it is to send up showers of guiding rockets during night raids in return for remuneration at the rate of Mex. $20 a time. The Japanese information service is so accurate that more than once, while spokesmen have been solemnly announcing that Kwangtung government offices were in flames, fresh relays of bombers were dusting those selfsame offices, knowing quite well they had not been hit. The classic instance of the excellence of Japan's spywork, however, occurred when, recently, one of Canton's military commanders shifted his headquarters secretly at 6 a.m. one morning, and the Japanese bombed the new address (without hitting it) at 7.30 a.m.!

Gen. Wu Teh-chen's Message

There is, unhappily, no reason to doubt that the death-roll will lengthen as the struggle for Hankow develops, and Canton becomes, in turn, a "military objective" in the real sense of that abused term. Japan has announced her intention of invading Kwangtung and occupying the city of Canton and the strategic railways radiating from it in terms so definite that it is reasonable to assume the attempt will be made to close China's last open door to the Pacific, through which, during the first five months of this year, passed 90 per cent. of all the imports into, and 80 per cent. of all the exports from, unoccupied China. If the invasion comes, then quite probably untiring, merciless, machinery may once more prove a match for flesh and blood, however courageous.

At the moment when Canton waits, fearlessly, for what tomorrow may bring, General Wu Teh-chen has handed me the following exclusive message to the "North-China Daily News":

"Three weeks of continual day and night aerial bombardment of the province of Kwangtung," with the attack centred on the city of Canton, have not only caused the loss of thousands of civilian lives, mostly women and children, but tens of thousands of workers and shopkeepers and their families are starving, students are forced to leave their classrooms, and tens of thousands more have been rendered homeless.

"The bombing of private houses, government and private factories, schools and hospitals, and even the machine-gunning of red cross workers on active duty succouring the wounded demonstrate that the Japanese bombers do not aim at military establishments.

"An invasion of South China has been forecast. Such an invasion will adversely affect the economic life of many countries far removed from the Japanese bombing planes and guns, because it is Japan's aim to close the historic Pearl River door to the Western world, and utilize Canton, China's traditional link with Britain, as the steppingstone to southward expansion.

"Canton remains unafraid. To help make China safe for the world, the people of my province are fully prepared to put up a strong resolute defence against any invaders, however heavily equipped with machinery of destruction.

"On behalf of the 35,000,000 people of Kwangtung province I wish to thank our British friends and wellwishers—and friends in other lands, for their expressions of sympathy during our hour of need."

(Signed) WU TEH-CHEN.

French Deny Arms Aid to China

Ambassador in Tokyo Pays Call on Gen. Ugaki

Tokyo, July 2.

Formal denial of the persistent reports alleging French assistance to China was made by M. Charles Arsene Henry, French Ambassador to Japan, when he called on the Foreign Minister, Gen. Kazushige Ugaki, at the Foreign Office today, Domei was reliably informed this afternoon.

Acting on instructions from this Government, M. Arsene Henry was said to have told Gen. Ugaki that inquiries made by the French Government disclosed that the current reports of arms supplies from France to China are "without foundation."—Domei.

Cathedral Wedding

Yesterday morning at Holy Trinity Cathedral Dean Trivett officiated at the wedding of Mr. Walter Edgar Abbott and Miss Phoebe Eleanore Tuck. Mr. Abbott is Chief Chemist of the Public Works Department. A keen volunteer, he was in command of "A" Coy, S.V.C., during last year's "trouble." Miss Tuck was on the staff of the Public and Thomas Hanbury School for Girls as gymnastics and games mistress. (Left to right) Bridegroom and bride, Mr. James Moffat (best man), Miss Grace Darroch, Mr. Sidney McMurray (who gave the bride away).

No Peace So Long As Chiang Stays

Japanese War Minister on Determination to Wipe Out Chinese Government

Tokyo, July 2.

"There can be no peace between China and Japan so long as the Chiang Kai-shek régime remains in power."

Lieut.-Gen. Seishiro Itagaki, War Minister, expressed this conviction yesterday in his first press interview after his return to Tokyo from an inspection trip to the Osaka district.

"How can Japan shake hands and talk peace with Chiang Kai-shek, who laboriously over a period of 10 years created the atmosphere leading to the outbreak of the China incident, and who is responsible for the aggravation of the incident to its present proportions?" Lieut.-Gen. Itagaki said.

"Whether reported mediation will be started at the initiative of a third Power or as a manifestation of the death knell of the Chiang Kai-shek régime remains to be seen.

Japan Not Understood

"Reported efforts at mediation are due to a failure to understand Japan's grim determination to overthrow the Chiang Kai-shek administration.

"The Japanese Government's statement on January 16 clearly manifested its intention to have no more dealings with the Chiang Kai-shek régime and since then the Government has seized every opportunity to re-emphasize it.

"Yet the Hankow Government and third Powers anxious for Chiang Kai-shek to remain in power—though their motives are different—now are attempting to—start peace negotiations between Japan and the Hankow Government with Chiang Kai-shek as its head.

"There is no room for discussion under these conditions.

Statement Not a Bluff

"If some regard Japan's statement of January 16 as a bluff no greater misunderstanding could be made.

"Japan's determination is not so superficial."

A spokesman of the Foreign Office, questioned by foreign correspondents yesterday, denied reports of foreign mediation.

Lieut.-Gen. Itagaki declined to commit himself definitely as to whether alleged peace moves are connected with any third Power.

"The resolution of the Japanese Government and people to destroy the Chiang régime is by no means a fragile one," the War Minister stated.—Domei.

FUNERAL

Master D. Joseph

The funeral took place at Bubbling Well Cemetery yesterday afternoon of the late Master Devapriya Joseph, five-year-old son of Mr. and Mrs. T. D. Joseph. The chief mourner was the father. The little white coffin was carried to the grave by Messrs. D. W. S. Kelambi, E. H. Lawrence, Tsao An Ziang and Thomas Dharmaratna. In addition to the family wreaths floral tributes were received from Miss Guillabert, Mr. B. Bobby, Tsze Hie Foung, Mr. Thomas Silva, Mr. and Mrs. E. H. Lawrence, Mr. R. W. Weerappuli and family, Tsao An Ziang, Wang Lingtai, Kuo Chi Jih Pao, etc.

The funeral arrangements were carried out by Messrs. Thomas MacDonald & Co.

Boats Banned on North Bank of Creek

To prevent terrorists from entering the Hongkew district, all kinds of small boats are now forbidden to come alongside the north bank of Soochow Creek, near the Garden Bridge, except those possessing permits issued by the Japanese authorities, it was announced yesterday.

WEDDING

Abbott-Tuck

At 10.30 yesterday morning at Holy Trinity Cathedral the wedding took place of Mr. Walter Edgar Abbott, chief chemist of the Public Works Department, son of Mr. Walter Abbott, O.B.E., and Mrs. Abbott of Belfast, and Miss Phoebe Eleanore Tuck, gymnastics and games mistress at the Public and Thomas Hanbury School for Girls, and daughter of Mr. and Mrs. Arthur Tuck of Oxford. Dean A. C. S. Trivett officiated.

The bride, who was given away by Mr. Sidney McMurray, wore a powder blue crêpe frock, cut with a slightly flared skirt, and a bolero jacket faced with white. Her white picture hat had a blue scarf crown to match her frock and her accessories were white. She wore a posy of pastel-shaded flowers. Miss Grace Darroch acted as bridesmaid in a frock of flowered silk with sash of blue and yellow velvet to tone and a white hat. Her posy of flowers matched that of the bride. Mr. James Moffat was best man.

After the ceremony a reception was held at the residence of Mr. and Mrs. James Moffatt at 46 Great Western Road, after which the bride and bridegroom left for their honeymoon, which is being spent in Japan

U.S. Banker's House Robbed in H'kong

Miss Mignon McLay's Dog Gives Alarm Too Late

Hongkong, July 2.

Miss Mignon McLay, daughter of Mr. R. M. McLay, manager of the National City Bank of New York here, today missed HK$1,000 worth of jewellery which was stolen last night from the McLay residence.

The barking of Miss McLay's pet wire-haired terrier, "Bunchi," led to the discovery of the robbery and also prevented the thief from stealing more loot.

The little dog roused the household, but the thief managed to escape before anyone could lay hands on him.

An inventory of personal belongings revealed that most of Miss McLay jewellery was stolen.

The thief entered her bedroom and helped himself to the jewellery lying on Miss McLay's dressing table.

"Bunchi" was awakened by the thief and raised an alarm but the thief jumped out of the window before any male member of the household could reach Miss McLay's room.—United Press.

New Trade Treaty to Aid Germany and Poland

Berlin, July 2.

It is officially announced that an economic treaty between Germany and Poland has been signed whereby the trade between the two countries will be considerably increased.—Reuter.

Interpreter Was in Five Wars

Veteran Japanese Serving In Vessels on Yangtze Has Fine Record

When medals are handed out for extraordinary feats performed by civilians in war time, Mr. Gentaro Hayashida, Japanese interpreter who is a veteran of two wars and three incidents and is still going strong, should come in for his share.

The 57-year old "civilian soldier" is believed to hold something of a record along this line, and no doubt could write full-fledged war memoirs—but they will have to wait, as he is still on duty amid shot and shell in Central China.

Armed with a dictionary instead of a rifle, Mr. Hayashida on his latest assignment is up the Yangtze, where he is stationed on board a warship off Anking, the "Mainichi" said yesterday.

Interviewed by a correspondent of the "Mainichi" who went aboard the vessel, the veteran language intermediary sketched briefly his career, which extends over a period of 34 years during his participation in seven different expeditions.

Owing to the press of duties and military taboos details of his experiences could not be disclosed at this time.

Was In Russo-Japanese War

His career as an interpreter behind the front began in the Russo-Japanese War of 1904-5 when he was only 23 years old.

Thirteen years later during the World War he followed Japanese troops in Siberia for five years. At the age of 47 he resumed his role as a civilian soldier for three months during the Tsinan incident. During the Manchurian incident he went to Tsitsihar with the Japanese detachments which routed the troops under Gen. Ma Chan-shan.

Since then he resided in Manchoukuo. When the present Sino-Japanese conflict began Mr. Hayashida was summoned for duty by the Tokyo War Office. He was attached to a certain detachment as an interpreter and landed at Woosung on October 20, last year.

Before the occupation of Tsungming Island and Nantungchow in March he was sent to the island in February for "reconnaissance duty." After that he followed Japanese units to Pengpu on the Tsingpu Railway, then was assigned to his present duty with the Yangtze drive.

Prague Reveals Part Of Minorities Law

Sudetens Informed of Outline of Statute

Prague, July 2.

It was learned here yesterday afternoon that on Thursday, Dr. Milan Hodza, the Czechoslovakian Premier, submitted to the Sudeten German Deputies, Herr Kundt and Dr. Rosche, excerpts from the Nationalities Statute of the government and from the draft of the language law. The main part of the Statute will be submitted to the Sudeten German Party early next week.

The Sudeten Germany Party will probably not make any statement on the nationalities statute before a complete text of the statute is in its hands.—Trans-Ocean.

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British Navy List of Promotions

Eighty Officers Raised In Rank

London, July 2.

The following British Naval promotion have been made to date June 30, 1938:

Commander to Captain:—

George Tothill Philip, D.S.O.; John Buller Edward Hall, Lachlan Donald Mackintosh, D.S.O.; Jack Tuthill Borrett, O.B.E.; Terence Hugh Back, Francis James Wylie, Brian Betham Schofield, Alfred Spalding Russell, Percival Henry Gwynne James, Basil Charles Barrington Brooke, Horace Geoffrey Norman, Edward Dangerfield, William Gerrard Andrewes, Tom Oliver Bulteel (Wing Commander, R.A.F.); Eric Gordon Jeffrey.

Lieutenant Commanders to Commanders:—

Francis Bernard Lloyd, Charles Nugent Lentaigne, Philip Arthur Berry, Guy Robert Pilcher, Robert Cecil Somers Garwood; Ian Hamilton Bockett-Pugh, Godfrey Ransome, Richard Graham Stewart, Harold Fergusson Lawson, Roderick Cosmo Gordon, Leonard Francis Durnford-Slater, Richard Courtnay Boyle, Kenneth Judge D'Arcy, Rupert Douglas Hughes, Sydney Alan Cooper, Ballin Illingworth Robertshaw, John Danvers Crossman, Graham Henry Stokes, George Hamilton Oswald, Thomas Leslie Bratt, Herbert Lovegrove, George Barney Hamley Fawkes, Geoffrey Gowland, Alfred Cecil Luce, Bryan Gouthwaite Scurfield, Henry Austin Traill (Squadron Leader, R.A.F.); Kenneth Steward Colquhoun, William Kaye Edden.

Commander (E) to Captain (E):—

Owen William Phillips, Geoffrey Francis Chandler, John Leigh Bedale, Charles Hepworth Nicholson.

Lieutenant Commander (E) To Commander (E):—

Frederick Boris Courtney Smith, Stanley Thomas Gordon Bartwell, Charles Philip Buttar, John Hollocombe, John Blair Nicholson, Christopher Mark Morrell, Charles Philip Gallimore, Charles Edward Smith, John Holden Illingworth, Richard Warwick Marshall, William Kenneth Weston.

Engineer Lieutenant Commander to Engineer Commander:—

James Anthony Ruddy.

Surgeon Lieutenant Commander (D) to Surgeon Commander (D):—

Ernest Cecil Bevis, L.D.S.

Paymaster Commander to Paymaster Captain:—

Hector Roy Mackenzie Woodhouse, O.B.E; William Mostyn Hawkes, Rowland Christopher Jerram, C.B.E., D.S.O.

Paymaster Lieutenant Commander to Paymaster Commander:—

Arthur Collingwood Dickson, Eric Horace Harvey, John Harry Kennedy, Victor Evelyn Rusby, Harry Prevett.

Royal Marines

Major to Prevet Lieutenant-Colonel:—Hubert Thomas Newman.

Captain to Brevet Major:—Philip Harvey Owen Linzey Penfold.—Wireless through Reuter.

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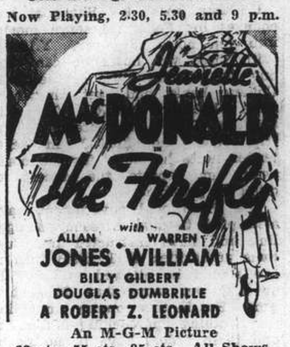

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Police Recover Stolen Coils of Steel Wire

The Shanghai Municipal Police are seeking the owner of 82 coils of steel wire bearing oblong tin labels marked "Bethlehem Steel Export Corporation, Bethlehem" Trade Mark "P. H." Numbers 2,000 and over in a triangle, which were seized on The Bund on June 28.

The wire can be inspected at the Sinza Police Station.

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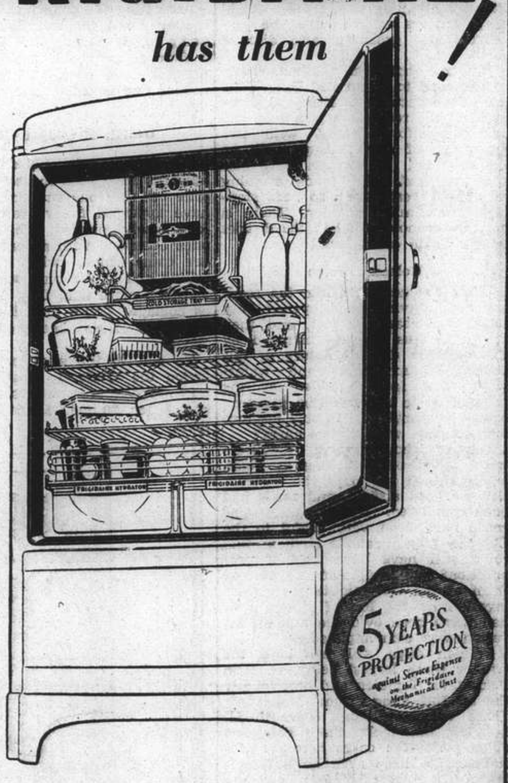

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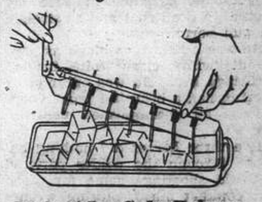

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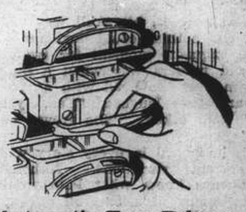

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FROM DAY TO DAY

WEATHER permitting the band of the 1st Battalion Seaforth Highlanders under the direction of the bandmaster Mr. E. G. Baker, A.R.C.M., will play on the lawn in front of the Race Club grandstand today at 11.30 a.m.

OFFICIAL confirmation was given in Budapest to the report that the Hungarian Premier, Dr. Bela Imredy, and the Foreign Minister, Dr. Kalmande Kanya, will make a state visit to Rome in the second half of July.

WITH elevation of the people's moral standard and cultivation of Sino-Japanese friendship as its main objects, the "Ta Ming Hui" (Great People's Association) has been formed by a group of Chinese leaders of the Central China region, it was reported yesterday.

THE secretary of the Relief Fund in China (Lord Mayor's Fund), will be pleased to receive photographs of hospital and refugee work in China, or interesting photographs of refugees, for publicity purposes. These can be sent to The Secretary, 27 The Bund.

THE city authorities of Hamburg have hit upon a novel idea for overcoming the growing traffic congestion. One of the basins of Hamburg harbour is to be laid dry and converted into a huge garage. The extensive roof of this garage covering an area of 5,000 square metres, will be used as a parking place.

IN honour of the American Independence Day celebrations the Fourth Marines and a detachment from the station ship will hold a flag raising ceremony on the Polo Ground tomorrow at 8.30 a.m. A twenty-one gun salute will be fired at 8.35 a.m., following which there will be a regimental parade. All members of the American community are cordially invited to attend.

THE first graduation exercise for the Civic Training Course sponsored by the Kiangsi Provincial Government was held in Nanchang on Wednesday, states a dispatch to the "Morning Leader." In the ceremony, during which the Chairman of the Kiangsi Provincial Government, General Hsiung Shih-hui, gave the principal address, 300 students received their diplomas.

M. LE PROVOST Delaunay, Rightist, was elected Chairman of the Municipal Council of Paris on Friday. M. Delaunay is Municipal Councillor for the Champs Elysees' district. During the 1914-18 campaign, he had served as an officer in a cavalry regiment of the French Army and was Deputy in the first Chamber elected after the World War. After his term in the "Chamber Blue Horizon," however, he was not re-elected in the 1924. polls.

THE cholera epidemic in the Concession continues in an upward trend, the daily number of cases gradually increasing. The average of cholera cases, amongst the Chinese population, is 15 daily, the proportion of death being 2. Total number of cases up to date: 229 and total number of deaths 41. No further cases were recorded amongst the foreign population since the June 14.

THE Central authorities have decided to grant an annual administrative subsidy of $600,000 to the Chinghai (Kokonor) Provincial Government, according to a statement made by the newly appointed Finance Commissioner of Chinghai, Mr. Tan Keh-min, which appears in the "Standard." Mr. Tan, it is reported, arrived in Sian from Hankow by 'plane on Tuesday on his way to Sining, where he will take up his new post.

THE Kweichow Provincial Government, on a recommendation from its Department of Education, has adopted a programme for pushing the mass education movement in the province, says a report to the "Morning Leader." The full realization of this programme, under which all primary and middle schools in the province will be required to open four short sessions a year for the instruction of illiterate adults, is expected to reduce the total number of illiterates by 500,000.

SHORT WAVE RADIO

Today's Broadcasts

Daventry, England—Trans. 1, from *13.00* to *15.00* o'clock, 16.86 metres, 19.76m.; 19.82m.; 25.53m.; 31.55m. Trans. 2, *18.45* to *21.55*, 13.93m.; 13.97m.; 16.86m.; 19.82m.; Trans. 3, *22.00* to *1.00*. 13.93m.; 13.97m.; 16.86m.; 19.82m.

Via Hongkong.—31.49m.

Berlin, Germany.—*13.05* to *24.00* 31.38m.; 19.74m.; 19.63m.; 16.89m.; 13.99m.

Rome, Italy.—*19.00* to *21.30* and *23.00* to *00.20*, 25.4m.

Australia—Lynhurst, Mon.-Sat. *10.35* to *21.30*, Sun., *16.00* to *20.30*, 31.34m.
Sydney, Sun., *14.00* to *16.00*; *18.00* to *22.00*; Mon., *22.00* to *24.00*; 31.28m.
Melbourne, Mon.-Sat., *17.00* to *22.00*, 31.50m.
Perth, Mon.-Sat., *17.00* to *19.00*, 31.28m.

Paris, France:—*14.00* to *18.00*, 25.24m., 31.35m.; *18.00* to *23.00*, 19.68m.; *21.30* to *23.00*, 16.88m.

Hilversum, Holland.—Irreg., but generally: Daily, *08.00* to *10.00*, *21.25* to *23.30*; Sun., *20.25* to *23.30*, *03.00* to *04.00*, 16.38m.; 19.71m.; 31.28m.

Manila, P.I.—*6.30* to *9.00* and *19.00* to *23.00*, 25.38m.; 31.35m. Sunday, *18.00* to *24.00*.

Tokyo, Japan.—*13.00* to *14.30*, *21.00* to *22.30*, 25.42m.; 19.79m.

Lisbon, Portugal.—*6.00* to *8.00*, 30.13m.

Municipal Band

A Brass Band Concert will be given in the Jessfield Park on Sunday, July, 3, from 5-7 p.m. (weather permitting) by the Municipal Brass Band. The Programme is as follows:—

Overture "Der Fiedermaus" ....Strauss
Selection "Chu Chin Chow" ....Norton
Caprice "Three Blind Mice" ....Lotter
Cornet Solo "A Perfect Day" Jacob Bond
Soloist: Musician V. Dobrovolsky.
Suite "The Feast of Spring" ....Thomas
(from Hamlet)
Introduction: The Village Fete
Dance of the Hunters
Valse-Mazurka
Strette-Finale
Selection "A Southern Maid" Fraser-Simson
Set of three dale dances .....Wood
(On Yorkshire Folk Songs)

Two Liners Make Port From Japan

Tjinegara Due Tomorrow, Meerkerk on Tuesday

Due from Java and way ports the J.C.J. Line announce that their mv. Tjinegara will berth at Holt's Wharf tomorrow at 11 a.m. She is to leave for Hongkong, Manila, Cebu, Menado, Macassar, Bali, Soerabaia, and Java on July 7 at 7 a.m. Outgoing passengers are to be conveyed by tenders from the Customs Jetty at 9.30 a.m.

The Holland East Asia Line mv. Meerkerk arrives from Dairen at buoys 12 and 13, on Tuesday morning, and sails on the following day for Port Said, Genoa, Antwerp, Rotterdam, Amsterdam, Hamburg and Bremen.

Another arrival on Tuesday is the Blue Funnel ss. Teiresias from Liverpool. She should berth at Holt's Wharf, and sails for Japan on the following day.

The re-conditioned freighter of the N.D.L. Line, the Coburg, will enter port on Wednesday from Japan and tie up at buoys 14-15. Stopping in the port for about a day she will sail for Hongkong, Saigon, Kohsichang, Singapore, Belawan, Colombo, Port Said, Port Sudan, Casablanca, Rotterdam, Hamburg and Bremen.

Tuesday's Departures

Leaving Shanghai on Tuesday is the R.M.S. Ranchi which arrives in port at buoys 11 and 12 at about 4.30 p.m. today. She will go to London by way of Hongkong, Singapore, Penang, Colombo, Bombay, Aden, Port Said, Malta, Marseilles, and Gibraltar. A passenger tender leaves the Customs Jetty at 1.30 p.m., but heavy luggage should be sent to the lighter which leaves the jetty tomorrow from 2 to 3 p.m. Incoming passengers from the ship today should reach the Customs Jetty by 6 p.m.

The M.M. Athos II which arrives today at 6 a.m. from Kobe, will sail homewards on Tuesday at 10 a.m. A passenger tender leaves the M.M. Jetty (Quai de France) at 8 a.m. while heavy luggage should be sent to 8 Quai de France tomorrow between 9 a.m. and noon. Incoming passengers are to be transported from the Shanghai and Hongkew Wharf by bus to the Customs Jetty, which they should reach at about 7 a.m. today.

Other arrivals in the near future will be the Blue Funnel Menestheus which is expected to arrive on July 8 from Liverpool, and the Hamburg Amerika Line's mv. Duisburg which is due on July 6 from Manila. The Lloyd Triestino Conte Verde is expected on or about July 11, and the Empress of Russia of the Canadian Pacific Line should reach port about July 9, being scheduled to sail for Canada on July 10.

Passenger Lists

Passengers on the ss. Shuntien which leaves Shanghai for Tientsin and way ports today were:—

Mrs. Yarnell, Mrs. McConnell, Mrs. Lane, Miss J. Wallis, Mrs. Lankford, Miss Harris, Mr. Sproase, Mrs. Bowen, Mr. F. G. McQueen, Mrs. H. F. B. Gardiner, Mrs. G. Dewar, Miss Dewar, Miss Donnelly, Mr. and Mrs. E. J. Lloyd, Mr. and Mrs. J. D. Davies, Mr H. P. Mann, Mrs. Davison, Mrs. W. C. D. Taylor, Miss V. Thomson, Mrs. Grieg, Mrs. Gayer, Mrs. Krogh, Mr. H. F. B. Gardiner, Mrs. Ballandras, Mrs. Angwin, Mme. and Miss Blanchet, Mr. and Mrs. Mass, Miss V. Clifton, Mrs. Foster, Mrs. Sylvester, Mrs. V. L. Pottle, Mrs. H. B. McKittrick, Mrs. De Revoge.

Included among the passengers sailing in the Hunan, which left for Tientsin and way ports on Saturday were:

Mrs. N. L. Anderson, Mrs. Neil, Miss Williams, Sgt. Cozzani, Mr Thomas, Mrs. F. S. Pray, Miss J. Macdonald, Mrs. Tinson, Mme. Gourden, Mrs. Scott.

Passengers arriving on the ss. Kaiping from Chinwangtao on Saturday were:—

Lieut. and Mme. Cluzel, Mr. B. E. Caulton, Mr. and Mrs. C. A. Talbat.

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Japanese Royalty Must Economize

Princes and Princesses To Travel by Railways To Save Petrol

Tokyo, July 2.

Further rationing of petrol and severe restrictions on the use of leather for the manufacture of non-essential articles are among the latest wartime economies introduced in Japan.

Private motor-cars are now allowed only 1½ gallons of petrol a day instead of the recently imposed quota of two gallons. Taxicabs have had their daily allowance of 7.2 gallons reduced to 5.7 gallons, while the supply for buses has been cut by ten per cent. Drivers of all kinds of petrol-driven vehicles have been urged to coast on down-grades and wherever else possible.

Princes and princesses of the blood, it is announced, will travel by rail whenever possible in accordance with the "savefuel" campaign. Officials and other employees of members of the Imperial Family will do likewise.

Encouragement of Savings

A large-scale movement for the encouragement of savings has also been started.

Mr. Seihin Ikeda, Minister of Finance, has urged the women of Tokyo to co-operate in the drive to save Y.8,000,000,000 this year to make possible the full absorption of "China Incident" bonds. Lectures, movie shows, posters and pamphlets are all being used to develop this particular campaign.

Among the articles affected by the restrictions on the use of leather are handbags, knapsacks, slippers, chaircovers, gloves and sports goods.

To meet this situation, manufactures of sports goods have decided to use whale-skin for footballs and alligator skin for basketballs.

The new economies, according to a semi-official statement, have been introduced because "Japan is now fast passing into a pure wartime stage, with every possibility of fighting a protracted stage whether she likes to or not."—Reuter.

Men of U.S.S. Panay Honoured

Navy Cross Awarded for Heroism on Yangtze

Washington, July 1.

The United States Government today honoured the personnel of the U.S.S. Panay, American gunboat which was bombed and sunk by Japanese planes in China waters last December, for heroism displayed under fire.

Mr. Claude A. Swanson, Secretary of the Navy, sent Lieutenant-Commander J.J. Hughes, Commanding Officer of the ill-fated American gunboat, a letter of appreciation for the excellent work done by the men at the time that the vessel was sinking.

Mr. Swanson also awarded the Navy Cross to Lieutenant Arthur F. Anders, Executive Officer, who took over command when Lt.-Cmdr. Hughes was severely wounded. Lieutenant Clark G. Grazier (Medical Corps) and a score of enlisted men. —United Press.

Un-American Activities Will Be Exposed

Mr. Martin Dies Alleges Body Destroys Evidence

Washington, July 1.

Mr. Martin Dies, Chairman of the House of Representatives Committee investigating un-American activities in the United States, said here today that he had evidence proving that one organization in the United States burned its records shortly before the arrival of Committee investigating agents.

He refused to give the name of the organization or the name of the city in which the incident occurred, but indicated the evidence would be presented in open sessions of the Committee after Congress convenes for the next session.

Mr. Dies, for long an opponent of Fascist and Communist activities in the United States, is Democratic Representative from Texas. He frequently has sponsored bills to restrict immigration into the United States of Fascist or Communist party members and has advocated a bill which would deport all aliens in the United States without proper entrance credentials.—United Press.

U.S. Economic Outlook Not So Black

Midland Bank Review Has Optimistic Opinion

London, July 1.

In view of the recent spectacular rise in Wall Street, arousing hopes that the corner may have been turned, the searching investigation of the "Monthly Review" of the Midland Bank into American economic conditions has stirred up considerable interest.

Regarding the early future, the opinion is expressed that the relief measures now being enacted along the lines of heavy disbursements are already making, and may be expected to result in, considerable expansion of consumer buying within the next few months.

On the side of investment, the outlook is less promising, the journal adds, as hindrances to large-scale capital construction on private account are varied and serious, while their early removal is not readily envisaged. It seems doubtful, therefore, whether a strong stimulus to business can be expected from the side of capital, at least, until near the end of the year, and perhaps not even then.

Nevertheless, the article concludes, the longer capital construction is deferred the more powerful becomes the economic impetus to its being undertaken. Some day, for certain, the dams will burst and a full flood of capital activity will flow towards the economic system.—Reuter.

Bank of Lithuania

Kaunas, July 1.

The Bank of Lithuania has today reduced its rate of discount from 5½ to 5 per cent.—Reuter.

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THE SPORTS PAGE

"Battle of Helens" Won By Mrs. Moody

Miss Jacobs Beaten 6-4, 6-0; New Champion Creates Record in Taking Her 8th Wimbledon Title; Miss Marble, Mrs. Fabyan Also Win

Wimbledon, July 2.

UNDER an overcast sky today Mrs. Helen Wills Moody created an all-time new record when she took the Wimbledon championship title for the eighth time, in the final of the women's singles, beating Miss Helen Jacobs by 6-4, 6-0. Mrs. Moody's record today beats that of Mlle. Suzanne Lenglen, the Frenchwoman who won the women's championship title at Wimbledon seven times.

It now looks as though the Americans may take all the titles since, in the final of the women's doubles, the holders, Mme. Mathieu (France) and Miss Yorke (Britain) lost to the American pair, Mrs. Fabyan and Miss Alice Marble. The score was 6-2, 6-3.

The Americans were a perfect combination and far too strong for the experienced holders, of whom Mme. Mathieu played erratically, although the English girl, the last Briton in the championship, was not entirey blameless. The Americans volleyed brilliantly.

Queen Mary was again present at today's matches.—Reuter.

London, July 1.

Twenty thousand spectators today saw red-haired Donald Budge of the United States trounce Henry "Bunny" Austin of England, 6-1, 6-0, 6-3, to retain the Wimbledon's men's singles tennis title and become the first player in history not to lose a single set in the entire tournament and the first American since Bill Tilden to win the championship twice in succession.

The youthful Californian lost only 48 games throughout the tournament and administered one of the most severe defeates in history.

Budge's fine feat was rewarded when he was called to the Royal Box to receive the congratulations of Queen Mary.

Both players showed fine sportsmanship and Budge said that Austin was not in his best form because he was worried over the condition of his wife who had given birth to a baby several days ago.

Rain Halts Match

The lanky champion virtually swept Austin off the court in the first two sets. He relaxed in the third, which was halted for forty minutes by rain when the American was leading, 4-3.

When the match recommenced, Budge attacked savagely, revealing accuracy, speed and power.

Well Beaten

Austin sometimes was so well beaten that his countrymen groaned at his failure to reply to Budge's scorching drives and the American's frequent ace serves.

Budge's backhand strokes were sharp and tricky. He volleyed with unbelievable accuracy. His drives were scorchers and the placements practically tipped the lines.

The short, blonde English player, who first came into the limelight in 1921 and represented England in Davis Cup from 1929 to 1936 inclusively, prior to the match announced that he would retire after the contest.

Austin, who earned his greatest fame in 1932 when he became the first Englishman to reach the Wimbledon final in ten years, already had retired from Davis Cup play.

Fine Sportsmanship

The Englishman displayed fine sportsmanship and after the match he carried Budge's rackets, shoes and sweaters off the court in acknowledgement of the American's grand victory.

Budge was called to the Royal Box where Queen Mary and the Duke and Duchess of Kent complimented him on his brilliant performance. Budge shook hands with the Queen.

"I feel I played the best game of my life," Budge told newspapermen in the dressing room.

"Everything went right. At the same time I do not think 'Bunny' was in top form....he was oppressed by many worries about his wife and baby," who was born midway through the tournament.

The Wimbledon series tapered off toward the finals and with Budge in both the men's doubles and mixed championship rounds the prospects that he would become the first player in history to score a second successive triple victory became brighter.

Budge In 3 Finals

Budge last year created a record by winning all three Wimbledon championship which could be won by a single player.

One of the usual features of the Wimbledon series this year is that Americans have reached every final of the five championships.

Budge and Alice Marble entered the mixed doubles final by beating Ronald Shayes and Joan Saunders of Britain, 6-4, 6-2, and will oppose the German-American combination of Sarah Palfrey Fabyan and Henner Henkel. Mrs. Fabyan and Henkel reached the final by trimming H. D. Russell and Freda James of Britain, 6-3, 1-6, 6-3.

The Californian and Gene Mako will battle in the men's doubles final against Henkel and George von Metaxa, who beat the Yugoslavian team of Frank Kukuljevic and Joseph Pallada, 7-5, 6-2, 6-4.

Another American team, Mrs. Fabyan and Miss Marble, will oppose Mme. Simone Mathieu of France and Miss Adeline Yorke of Britain in the women's doubles final.

Other Results

The Americans beat Esther Miller and Margaret Morphew of South Africa, 7-5, 6-4, to enter the final. The Anglo-French pair reached the final by trimming Mrs. Andrus of America and Sylvia Henrotin of France, 3-6, 6-3, 6-4.

The final of the women's singles will be played tomorrow between Mrs. Helen Wills Moody and Miss Helen Hull Jacobs, reviving the most bitter feud in tennis history.

Mrs. Moody is determined to win her eighth Wimbledon title and create a new world's record, while Miss Jacobs has set her mind on proving her superiority in the latest "Battle of the Helens."—United Press.

Yorkshire Take Lead In County Cricket

Worcester Become Latest Victims of Winners

London, July 2.

Gaining their ninth outright victory in 13 matches Yorkshire, the champions, assumed the lead for the first time today in the County Championship.

Their latest victims were Worcester, whom they defeated by an innings and 18 runs.

Lancashire kept pace with Yorkshire by overwhelming Hampshire by 10 wickets. They are now in second position with also nine wins in 13 matches.

The feature of the match at Manchester was another splendid batting display by Paynter, one of the mainstays of England's Test side, who scored 122.

Somerset maintained their recent good form by scoring another victory, this time defeating Notts by one wicket in spite of a chanceless 114 by Hardstaff.

Details:

At Manchester—Lancashire beat Hampshire by 10 wickets.
Lancashire 265 (Paynter 122) and 22 for the loss of no wicket.
Hampshire 129 (Pollard seven for 55) and, following on 186.

At Worcester—Yorkshire beat Worcester by an innings and 18 runs.
Yorkshire 359 for nine declared.
Worcester 118 (Bowes five for 35) and, following on, 223.

At Nottingham—Somerset beat Notts by one wicket.
Notts 232 (Hardstaff 114) and 227.
Somerset 236 (Woodhead five for 49 and 224 for nine (Gunn five for 74).

The latest standing of teams in the Championship is as follows:

Standing

	Win 1st innings. P.	W.	L.	D.	Unfinished but matches L.	W.	L.	D.	P.	Pct.
Pts. awarded		12	0	6	4	4	0	2		
Yorkshire	13	9	0	0	–	3	1	–	120	9.23
Lancashire	13	9	2	0	–	2	–	–	116	8.92
Middlesex	11	8	3	0	–	–	–	–	96	8.73
Leicester	7	4	0	0	–	2	1	–	56	8.00
Somerset	13	7	4	0	–	2	–	–	92	7.08
Surrey	10	5	3	0	4	–	2	–	64	6.40
Derbyshire	12	5	5	0	8	2	–	–	76	6.33
War'shire	10	5	3	0	–	–	2	–	60	6.00
Notts	11	4	5	0	4	1	1	–	56	5.09
Sussex	13	4	5	0	8	1	3	–	60	41.6
Worcester	15	5	6	0	4	1	3	–	68	4.53
Essex	11	3	8	0	12	–	–	–	48	4.36
Kent	12	3	6	0	4	2	1	–	48	4.00
Hampshire	14	4	7	0	4	–	3	–	52	3.71
Glamorgan	9	1	5	0	4	2	1	–	24	2.67
Gloucester	13	2	8	0	–	2	1	–	32	2.46
Northants	9	0	8	0	4	–	1	–	4	0.44

—Reuter.

Nineteen Planes Start In King's Cup Race

Twenty Laps of a 50--Mile Triangular Circuit

London, July 2.

Nineteen aeroplanes started from Hatfield, Hertfordshire, in the King's Cup air race today over 1,000 miles in 20 laps of a 50-mile triangular circuit.

The best handicapped machines received a start of over three hours from the Mew Gull piloted by Captain E. W. Percival, who came in third in the King's Cup race last year.

Captain Percival's 'plane, in which there were two women as passengers, flew at the rate of 222 m.p.h. in the first lap.—Reuter.

Soviet Aviatrix Breaks Speed Record

Moscow, July 2.

The Soviet aviatrix, Katherina Mednikova, aged 21, flew 100 kilometres on a 50 h.p. plane at an average speed of 157 kilometres an hour.

This constitutes a new world record, shattering the previous mark held by the Czech airwoman Mlle. Doubkova.—Havas.

Polo Decision to Be Made at Noon

The polo field at the Race Course will be inspected today at noon to determine whether or not today's polo programme can be carried out. Those who are to play this afternoon are advised to telephone the Club House (90415) at 12.30 to learn what decision has been made. If no polo is possible today, the first Tyro Cup match will be played on Tuesday, a beginning at 5 p.m., between Meadowbrook and the Seaforths.

Cross Country Race

A harrier dual meet will be staged at 5.30 a.m. today starting from the Children's Garden, Majestic Road over the distance of 10,000 metres between the Hongkew Cross Country Club and the combined team of the Eastern Light, Southern Light and Yen Shu. Each side will field ten runners.

Los Angeles Boxing

Los Angeles, July 1.

Andy Scrivani, Chicago amateur, made his professional debut tonight by winning an easy decision over Jimmy Vaughn. Scrivani weighed 138 pounds and Vaughn 136 pounds.—United Press.

"Queen Helen" Reigns Again

Defeating her old rival Helen Jacobs once again in the final Mrs. Helen Wills Moody yesterday won her eighth Wimbledon title to break the record held jointly by herself and Suzanne Lenglen of seven championships in the women's singles.

Increasing Speed of Polo

More Stringent Rules Coming Into Effect; Unfair Crooking of Sticks; New Ewo Field

By J. A. Hayes

THERE are undoubted signs on both sides of the Atlantic that the Rules of Polo will be tightened up still further and made more severe against the reckless player. This is due, of course, to the ever-increasing speed at which the game is being played in first class circles on account of the fact that practically thoroughbred horses now are being used by those who can afford to buy them for themselves to play, or on which to mount their gladiatorial teams.

What is done at the top will be reflected lower down the scale. In the circumstances the prime object is to promote and maintain the safety of both player and pony without interfering in any way with the galloping character of the game. In fact, the idea is to encourage pace by forming, and giving authority to enforce, rules which will prevent a great competitive pastime from degenerating into a "battle."

The rules are already sufficiently complicated so care doubtless will be taken that any further alterations or additions will rather simplify than otherwise, what is already sufficiently difficult for both players and officials to observe.

Lord Louis Mountbatten ("Marco") recently visited America while on his Jamaica polo tour, and discussed this topic with representatives of the U.S.A. Polo Association so it is understood that this Association and the Hurlingham Polo Association will move in parallel lines towards the same end.

Unfair Crooking

Among suggestions and comments concerning the Rules of Polo made by the writer to the competent authorities from time to time, is one concerning the crooking of an adversary's stick. In it it was recommended that the words "or in a direct line behind" be deleted from Field Rule 19.A.

This rule so amended would read "No player shall crook an adversary's stick unless he is on the same side of an adversary's pony as the ball... The stick may not be crooked or struck unless an adversary is in the act of striking at the ball." In short, the stick should be deflected only when the contestants are parallel to each other and when one is striking at the ball which is then between them.

This recommendation has not yet been dealt with as have some of the others, but doubtless it will be in due course for the reason that it is a fair proposition which eliminates a source of danger and somewhat simplifies the rule as it at present stands, for the following reasons.

Incident in Point

Incidents have occurred in which the hooking of sticks was made correctly from behind according to the rules as it now reads. As stick-heads became interlocked the striker looked over his shoulder and in so doing carried his rein hand to the left. This caused his pony to swing his head to the left also and, as a result, his hind quarters to the right. The outcome of this was to pull his interlocked stick across his pony's back into a "foul" position, which the player hooking had no intention of getting into. It was a question of sheer force majeure, but nevertheless created a dangerous situation.

This could not arise if hooking from behind was prohibited. It likewise is a case in which a foul must be given because the condition is brought about however unintentionally.

Passing of Kiangwan

Although the writer may have to confess that the future of his polo activities are behind him, no one regrets more than he the passing of the Kiangwan polo ground on which he spent some considerable time years ago on converting it from an uneven alfalfa-bearing buffalo grazing pasture into the ground it was a pleasure to play on up to the time that it became a shot-torn battle-field last year.

To make good the deficiency thus created the house of Ewo has made a great effort in developing the ground at Hungjao formerly known as Logan's Garden. On those occasions on which play has been possible in that area, the fact that the field has been planned and laid out without the customary side-line boards has demonstrated the point that the game played without this restriction is definitely more scientific for the reason that play on it inculcates the theory that the shortest and quickest way to the goal is up and down the centre of the ground, rather than diagonally across it to the boards and back again.

Importance of Pace

Even in polo of the highest class it has been observed that the use of boards for a ricochet shot is apt to slow down the best pace of the game because the player of the type of shot is apt to decrease his speed in anticipation of the ball's rebound, whereas, without boards, he would be obliged to gallop on full tilt in order to retrieve the ball before it passed over the side boundary.

In modern polo it cannot be gainsaid that anything which tends to reduce its top pace during any portion of its short periods must detract, something from its attraction as a galloping game. The innovation introduced on the Ewo ground must therefore be looked upon as a distinct move in the right direction and it is hoped that such trivial restraints as inoculation certificates and "curse-you" passes will not deter the staunch supporters of this best of summer pastimes from liberally patronizing this sporting effort, which, to say the least, must serve to assist in restoring confidence in this much harassed district, to the benefit of all and to the harm of none.

Teams to Hungjao

If one may venture to make a suggestion to the sponsors of this enterprise it is one to the effect that teams rather than individuals be invited to play there on specified dates. By adopting this method a dual advantage would be secured. By this means continuous team-play then would be possible on both grounds (Shanghai and Hungjao) and the present tremendous congestion on the Shanghai field be relieved without withdrawing from it the majority of the higher handicap players on the same afternoon, as was too frequently the case in the days when the superior attraction of the Kiangwan ground were available.

The entry of no less than eleven teams for the Tyro Cup is a case in point. The next event of importance is the six-chukker match for the British Cup to be played between two American teams (The Cowboys and the Troopers) on Monday next, July 4. For this match each pony will wear a saddle-cloth number, stated on the programme, which will enable spectators to follow the game with greater facility and appreciate who is doing the good work or otherwise.

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Carl Hubbell, Best Of Them All

Giants' Screwball Expert Has Great Concentration; He Never Squawks

By Henry McLemore

New York, July 1.

He wears, as Bugs Baer once said, the longest pair of short pants in the world.

His left arm is abnormally twisted from throwing that rare pitch, the screwball.

He never alibis. He never squawks. He never complains. He gets in no controversies. He never boasts.

He's never ill, never holds out, never makes the headlines but for one reason—ball games won.

He is, and always will be, just Carl Hubbell—Carl Hubbell, pitcher, 34, Meeker, Okla., business address, New York Giants.

The season ends and the next day he is on his way to his country home. The season opens and he is the first to report, in better shape than any rookie.

For ten years, come August 10, Carl Hubbell has weaved the pattern of his life from the strands of efficiency, accomplishment, and humility.

In that time he has won 200 major league baseball games for the Giants. He was first spotted in Houston by a Giant scout, Dick Kinsella, who was there, not to spot talent, but to vote for Al Smith in the Democratic Convention of 1928.

Unusual Record

Other pitchers have outdone Carl in the way of ballyhoo, but try and think of a contemporary who can match records with him.

I am writing this story about Carl Hubbell because I happened to stop and talk with Gus Mancuso, a catcher.

Hubbell was warming up and Mancuso, pointing to the lean and lanky Oklahoman, said:

"There's the damndest man in baseball. There never was one like him."

Then Gus told me a few things about Hubbell.

"Infielders have lost games for him by making the louisiest sort of errors," Gus said, "but back in the clubhouse he never had a word to say. I have seen him pitch three and four-hit games and lose them because we couldn't get him any runs. But he never showed any temper. Win or lose he always walks in, sits quietly in front of his locker, quietly dresses, and quietly goes home. And did you ever see him get sore at an umpire? No, you never did, and yet they have called a thousand wrong on him. He just goes his own way, winning those 20 or more games each year. The greatest pitcher that ever lived, that's what Carl is."

Of all the pitchers in the National League, Gus said, Hubbell has the profoundest knowledge of what rival hitters like and don't like. He never made a note on this; carries it all in his head.

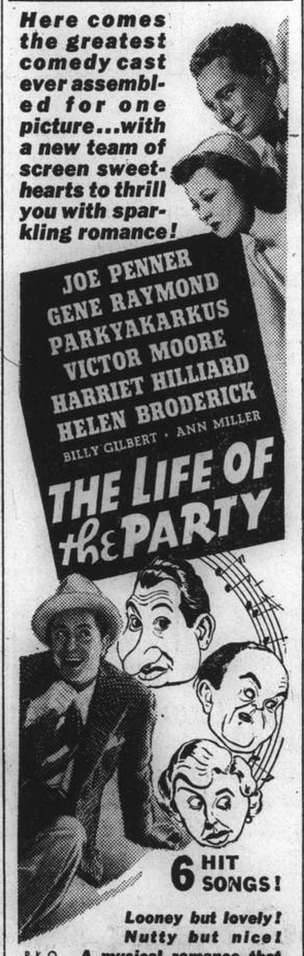
Hard to Hit

"When they hit him, they really deserve those hits," Mancuso said, "because he doesn't make a mistake on a pitch but once. Lemme explain: Two years ago we were playing the Phillies near the end of the season. We've got the pennant won, and Carl is working just to keep limbered up for the world series. He has 'em shut out, and two are out in the ninth. This Big Camilli is up, I think, and Carl has two strikes on him. I signal for a fast one Carl shakes me off. I call for it again. He shakes me off. I'm in a hurry to get out of the ball park, so I walk out to him and tell him that it doesn't matter, and to throw it in there. You know what he tells me? He says, no, he won't throw the fast one because two years ago Camilli hit one like that for two bases. He hasn't forgotten, and even with the pennant won, and the game sewed up, he won't throw one that Camilli likes."

Hubbell's concentration is tremendous.

"I've walked out and talked to him in many a game," Gus told me, "and have him not even hear me. Too busy thinking about what he was going to throw next. Nobody ever wanted to win more than Carl does, but I never saw a fellow who could take his bumps with the same grace. One in a million, I tell you."

The man doesn't know the meaning of the word excuse. When he pitches he wins or loses, and that ends it.—United Press.



Chinese College Stars To Meet in Final

P. C. Tong, K. F. Li Win In Hard Court Tennis

Following his surprise victory in the quarter-finals, P. C. Tong, youthful college star from the University of Shanghai, yesterday upset another veteran in the person of T. C. Chang to gain entrance into the final. Tong triumphed in two straight sets of 7-5 and 6-3.

The other finalist will be K. F. Li, who eliminated T. S. Wei in the other match on yesterday's programme also by two consecutive sets of 6-4 and 7-5. Li was a student of Chiaotung University before the outbreak of hostilities, thus making today's final, scheduled to begin at 4 o'clock, an all-student affair.

The scores in both semi-finals indicate a close and gruelling fight, especially in the encounter between Li and Wei. Both adopted the attacking game and each tried to undo the other at the net. Wei began well as he drove deep into the corners. Li, momentarily, was forced to play mostly on the defensive but he did not fall behind and succeeded in holding his adversary down. From two-all the score went to 4-4. Then breaking his opponent's service in the ninth frame, Li established a lead which he capitalized upon taking the tenth game for the set.

The trailer lost no heart in his failure to garner the opening set and went out full speed again in the next session.

Tong's Carbon Copy Win

Tong's victory was just a carbon copy of his success over K. C. Chow in the previous round. The collegian was all out to win and he chose to press right from the beginning. Chang, although having more than ten years of experience in the court game, found his rival in irresistible form. Nevertheless, he fought with his back to the wall, trying to stave off Tong's threat. Several times he came within striking distance of winning the initial set. But the ultimate winner had all the luck with him, winning a few important points at needed times and eventually breezed through to gain a lead of 7-5 for the first set.

In the second set the college boy fared well driving and smashing in graceful manner. He lost the first game but pulled up soon enough to make rather short work of Chang by a 6-3 tally and ended the contest.

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ARTHUR TREACHER
HELEN WESTLEY
PAULINE MOORE · THOMAS BECK
MARY NASH · SIDNEY BLACKMER
MADY CHRISTIANS · SIG RUMANN
20th Century Fox
OPENS TUESDAY:
JANE WITHERS
"45 FATHERS"
ALL SHOWS: 22c., 44c., 65c. and 85c.

Rinks Championship

The two Police Teams played off their first round of the Open Rinks Championship at Hongkew Park, C. J. Bull meeting R. Conduit. The former took and maintained his lead throughout winning by a margin of 22 shots to 13.

Further details of the scores are as follows:—

	C. J. Bull	R. Conduit
5th	8	3
10th	13	6
15th	20	8
21st	22	13

Teams:—C. J. Bull (skip), W. J. MacDermott, A. B. Hogg, and J. Campbell. R. Conduit (skip), J. W. M. Dickson, S. Craig, R. Wimsett.

Finals in Henley Regatta

Henley, July 2.

Conditions at the Henley Regatta were not so good today as yesterday, with a breeze blowing across the course.

In the finals of the Stewards Challenge Cup, Leander Club, the holders, easily beat Trinity College, Oxford, with a time of 7 mins. 33 secs. The Oxonians steered erratically, finally hitting the booms.

In the finals of the Wyfold Cup, London R. C. "B", the holders, beat Royal Chester by four lengths in 7 mins. 41 secs., leading all the way.—Reuter.

HAI-ALAI
MATINEE AT 2 P.M.
Events 1-8:
1. AZUMENDI
2. MAGUREGUI
3. REZOLA
4. BILBAO II
5. URIZAR II
6. CHATO
Events 9-16:
1. ANDRINUA
2. RAMOS
3. GARATE
4. OLASO
5. ACHA
6. TABOADA

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GRAND
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The Adventures of Robin Hood

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RESERVATIONS WILL BE HELD ONLY UNTIL 2.25, 5.25 and 8.55 p.m.

Here's luck!
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啤酒 EWO 和

EWO PILSNER BEER
Ewo Pilsner is the ideal beverage for those who prefer a lighter beer during the summer.
OBTAINABLE AT ALL COMPRADORES

Fourth of July Polo Match

Troopers Favoured to Beat Cowboys in Annual Game for British Cup; Chances Weighed

BY "THE CHASER"

ONE of the main features of "Independence Day" will be the annual Fourth of July polo match which will be played at the Race Course to morrow afternoon, commencing at 5 o'clock. The match is for the "British Cup" which was presented in 1936 by a number of British members of the Club to their American friends.

The line-up, since last published, has been changed and the final selections are:

Cowboys: Lutey, Lacks, Franklin and Mokrejs.

Troopers: W. H. Allman, Turbyfill, Harris and N. F. Allman.

Reserve: J. S. Clark.

Brigadier General Macnaghten has consented to referee while Messrs J. A. Hayes and H. D. Rodger will act as umpires and Mr. A. E. Arnold as timekeeper and scorer.

Lady Clark Kerr has very kindly consented to present the Cup and miniatures to the winning team at the conclusion of the match. To add more colour to the occasion the band of the U. S. Marines will play during the match, by kind permission of Col. Charles F. B. Price.

Equal Handicaps

The teams have not had a chance to play together in any practice chukkers. The two teams, on paper, appear to be very even with each team's handicap totalling nine.

There is a considerable shortage of the more seasoned American players this year—there being just a bare half dozen of the topnotches and a horde of beginners and one-handicap men.

With the inclusion of the one handicap men in the teams, the standard of the game will probably be a trifle below the usual high standard of the popular "Fourth of July" matches of past years. Last year the handicaps of the teams, Cowboys and Troopers, totalled fifteen and fourteen respectively, but, the spirit of the occasion and the keen rivalry, can always be depended upon to make up whatever faults there are.

The Troopers, I think, are the stronger team. In Dick Harris they have a pillar of strength, as in him they have a player who can hit long shots, but usually confines himself to passing, and when it comes to goal getting, he is really hard to beat. He has played polo every season since 1932 when he first took up the game. Although he has not played in any Interports his victories in other important and minor matches is something of which to be jealous. His handicap is four.

On a Bicycle

W. H. Allman, (handicap 1) will play No. 1. I am realiably informed that "Bill," as he is known among his friends, started polo on a bicycle but after a few months of that pastime his father thought it more economical to lend him his ponies and start him on indoor polo, than to buy bicycles in rapid succession.

He started outdoor polo last year and adapted himself quickly to the game and played in the winning team of the Tyro Cup Tournament. Although not as good as his father he shows great promise and a similar style.

As their No. 2 the Troopers have W. G. Turbyfill whose handicap is one. He began polo in Shanghai in 1930 and has played in the winning teams of several Cup matches, generally playing No. 1. Turbyfill had a nasty accident in 1936 during a point to point race, but he never lost heart and was playing polo again the next season. His bustling efforts have always succeeded in some way or another in harassing the opponents.

N. F. Allman (handicap 3) has played polo for nearly thirteen years, and has always played No. 1 in many Interports and also in the many important and minor Cup matches, but he has relinquished his position to his son and will play back. Those who have backed the Troopers need not think him misplaced for during his thirteen years of polo he has played in every position and is quite at home anywhere.

Excellent Pivot

The Cowboys have an excellent pivot in Franklin, another old veteran Interporter and match player. He has lost none of his accurate shooting If the Troopers hope to win they had better detail a couple of men to stick to him, and stay awake!

Kent Lutey will play No. 1 for the Cowboys and has a handicap of three. In him the Cowboys have an excellent and well mounted forward who knows all the "ins and outs" of the game. He was seldom in the spot light until last year when he played a grand game for the Cowboys.

The position of No. 2 will be filled by George Lacks who has a handicap of two. He has only played polo for three years but picked the game up rapidly. He is fair at shooting and his main asset is his ability to hit long shots.

J. J. Mokrejs—handicap one—will play back for the Cowboys and although he does not possess such an illustrious record as some of the other players, he can always be relied upon to give the ball an almighty whack and that is about all a back is required to do to feed his forwards, as long as he hits it in the right direction.

After summing up the good and bad qualities of each team if I were asked to pick the winner, I would stand by the Troopers. The Cowboys athough composed of more elderly players, who may not have the same dash as their younger opponents, have experience which counts a lot.

Henley Regatta in Final Stages

Yale, Kent School to Meet In Final of Thames Cup; Burke Wins Easily

SPECIAL TO THE "N.C.D.N."

Henley, July 1.

Several American successes features the events at the Henley Regatta today.

In the Thames Cup Kent School beat St. John's College, Oxford, by one length to enter the semi-final, where they will meet their fellow-Americans, Yale University. The time of the race was 7 mins. 29 seconds.

Yale were clocked at 7 mins. 10 seconds in eliminating Imperial College.

Burk, the American sculler and favourite for the event, continued his winning way in the Diamond Sculls, his latest victim being Tyler, of the Thamos Rowing Club. Burk won easily in 9 minutes.

Pembroke Beats Eton

In the Ladies Plate Pembroke (Cambridge) beat Eton by one length in 7 mins. 32 seconds.

Trinity College, Oxford, and Trinity College, Cambridge, will contest the final of the Stewards Cup as a result of their victories today over Thames and Brasenose, Oxford, respectively.

Thamos were beaten by three-quarters of a length in 7 mins. 39 seconds, while Brasenose trailed by two lengths in slower time, 7 mins. 53 seconds.—Reuter.

Carson, Squires Defeat Duff and Berents

Du Pac Outplays Collaco In Charity Tennis

Lewis Carson and C. C. Squires won a long-drawn-out doubles encounter over W. A. H. Duff and John Berents yesterday in an exhibition tennis match held at the U. D. Club 988 Avenue Joffre. The victors emerged triumphant by 6-4, 5-7 and 8-6.

Preceeding this tussle, Du Pac de Marsouliers took the measure of H. C. Collaco in a singles encounter by the margin of 6-3, 6-0. The Frenchman gained a lead at the start and held it throughout. Collaco still showed early season form while his conqueror revealed he had gone through adequate practice.

Carson won the toss from Duff and set the play in motion through Squires. By virtue of constantly storming the net the Americans gained a distinct advantage in the exchange of shots. Duff and Berents could not settle down and conceded the initial set, 6-4. Occasionally, the ultimate losers flashed across brilliant shots but they were not enough to upset the more skilful opponents.

All of a sudden, Duff and his partner began winning and ran away to a big lead of 4-0. Carson and Squires changed their tactics and played an all-attacking game. They succeeded in narrowing the margin but not enough to turn the tables. When the set ended, the American had lost by 7-5.

Leading by 4-3 in the 3rd set Squires had the misfortune of dropping his service game after a long deuce. Duff won his service to gain the lead but Carson, then served to win with ease at 40-15. In the eleventh and twelfth games both servers, Squires an Berents came through, making the score even for the third time, before the Americans were able to go on and win the deciding points.

Canidrome Results

1—440 yd. flat.—1, Brass Hat; 2, Speed Cap.
4 lengths.—Time, 26.71.
Win, $20.50. Forecast (1-2) Div. $107.80.
Place, 1st $10.40, 2nd 12.80.

2—500 yd. flat.—1, Harvard; 2, Arrow.
2½ lengths.—Time, 30.91.
Win, $14.40. Forecast (5-1) Div. $147.10.
Double Event 1/2 (1-5) Div. $38.50.
Place, 1st $9.50, 2nd $22.

3—500 yd. flat.—1, Claudette; 2, Send'm Along.
5 lengths.—Time, 30.76.
Win, $17.50. Forecast (3-2) Div. $72.40.
Double Event 2/3 (5-3) Div. $34.
Place, 1st $10.60, 2nd $13.20.

4—500 yd. flat.—1, Juliana; 2, Outsider.
4½ lengths.—Time, 30.29.
Win, $33.70. Forecast (5-3) Div. $86.
Double Event 3/4 (3-5) Div. $38.10.
Place, 1st $12.20, 2nd $10.

5—500 yd. flat.—1, Master Bill; 2, Amah, Mad Dale, D.H.
1 length, dead head.—Time, 30.33.
Win, $20.90. Forecast (6-2, 6-4) Div. $30.70, $64.70.
Double Event 4/5 (5-6) Div. $32.90.
Place, 1st $9.10, 2nd $8, $12.20.

6—500 yd. flat.—1, Lucky Jim; 2, Star Boy.
1 length.—Time, 30.17.
Win, $23.70. Forecast (5-3) Div. $88.90.
Double Event 5/6 (6-5) Div. $69.20.
Place, 1st $10.40, 2nd $9.10.

7—500 yd. flat.—1, Carmera; 2, Talisman.
5 lengths.—Time, 30.58.
Win, $45.30. Forecast (2-3) Div. $191.70.
Double Event 6/7 (5-2) Div. $122.60.
Place, 1st $12.70, 2nd $8.10.

8—500 yd. flat.—1, Careless Orontes; 2, Irish Lover.
2 lengths.—Time, 30.09.
Win, $15.10. Forecast (6-5) Div. $83.30.
Double Event 7/8 (2-6) Div. $126.
Place, 1st $10.20, 2nd $15.10.

9—500 yd. flat.—1, Buffalo Bill; 2, O. I. C.
½ length.—Time, 29.72.
Win, $10.50. Forecast (3-1) Div. $52.40.
Double Event 8/9 (6-3) Div. $10.30.
Place, 1st $6.60, 2nd $11.60.

10—525 yd. flat.—1, Wild Jack; 2, Little Moira.
2½ lengths.—Time, 31.40.
Win, $37.20. Forecast (1-2) Div. $135.10.
Double Event 9/10 (3-1) Div. $70.80.
Place, 1st $18.60, 2nd $15.30.

11—525 yd. flat.—1, Jackie's Lady; 2, Diamond Queen.
3½ lengths.—Time, 31.31.
Win, $17.10. Forecast (2-3) Div. $102.40.
Double Event 10/11 (1-2) Div. $86.10.
Place, 1st $11.30, 2nd $17.80.

12—525 yd. flat.—1, Whitey; 2, So Far City.
Short head.—Time, 30.95.
Win, $40.80. Forecast (6-3) Div. $108.60.

Angels Whip Sacramento In Coast Baseball

Hollywood Trounced by Seattle Team

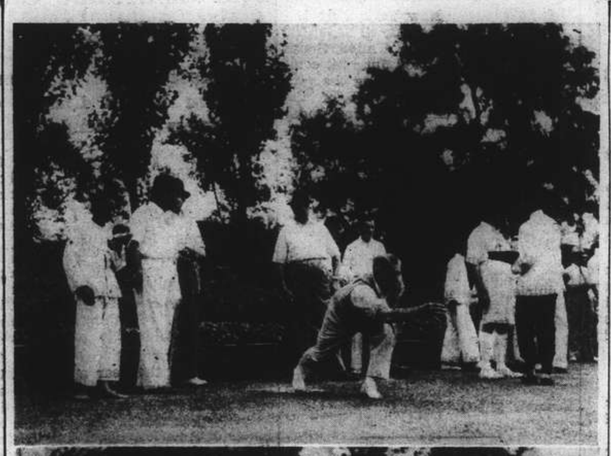
San Francisco, July 1.

The Los Angeles Angels today beat Sacramento, 4-3, weakening the Seals' lead in the Pacific Coast Baseball League.

	R.	H.	E.
Sacramento	3	4	2
Los Angeles	4	9	0
Hollywood	4	10	1
Seattle	5	9	1
Oakland	1	2	3
San Francisco	6	9	0
San Diego	4	10	1
Portland	2	9	2

Team Standings

	Won	Lost	Pct.
Sacramento	54	37	.593
Los Angeles	51	41	.554
San Francisco	50	42	.543
San Diego	47	43	.522
Seattle	46	46	.500
Portland	44	47	.484
Hollywood	42	50	.457



"N.C.D.N." Photos.

Lawn Bowls at the Country Club

At the Country Club yesterday the home team played a friendly game against the Shanghai Lawn Bowls Club "Blue." Top: W. A. Turnbull of the Blues making delivery. Bottom: C. W. Glover, popular skip of the S.L.B.C., playing his last game before leaving Shanghai upon retirement.

Decisive Victories Gained in Lawn Bowls League Play

Recs Defeat Hongkew Golf Club; S.L.B.C. Reds Beat Y.B.C.; Clube Lusitano Win from J.G.C.

THE three League games played yesterday afternoon resulted in decisive victories for the winning sides. The Recs took six points from the Hongkew Golf Club whilst the Shanghai Lawn Bowls Club 'Red' and the Clube Lusitano took 5 points leaving their opponents, the Yangtszepoo Bowling Club and the Junior Golf Club respectively, with 1 point each.

On the Race Course the H.G.C. were in the lead at the close of the 5th end but subsequently the Recs went ahead and held the position until the end of the game. C. A. Silva, for the Golf Club, managed to get up on shots at the end of the 15th but G. B. Stormes finished the game with 6 shots in hand.

H.G.C.		Recs.	
C. A. Silva (skip)		G. B. Stormes (skip)	
H. Corveth		C. Thompson	
J. M. Gonslaves		W. Hall	
S. A. Pintos	18	B. A. Shirazee	24
M. F. Sequeira (skip)		F. O. Madar (skip)	
A. P. Roza		G. H. Akerman	
M. F. Leitao		A. M. Gerrard	
A. P. Zuzarte	16	W. T. Manley	21
C. A. Pereira (skip)		T. G. Main (skip)	
F. Medina		G. N. Manley	
A. M. Collaco		R. J. S. Brandt	
J. Rocha	15	E. Gifford	24
C. Maher (skip)		G. V. Jensen (skip)	
A. A. d'Assis		A. J. Willis	
J. J. Souza		A. McLean	
Carlos da Silva	20	L. R. Barrera	23
Total	69		92

Reds Defeat Y.B.C.

The match between the S.L.B.C. 'Red' and the Y.B.C. was, on account of the condition of the greens at the Race Course, played at Wayside Park where the turf was in almost perfect condition. The visitors forged ahead from the start taking a lead of over 20 shots at the close of the fifth end which margin they had increased by the finish of the match to 30.

S.L.B.C. "Red"		Y.B.C.	
R. Baldwin (skip)		W. A. Bailey (skip)	
F. Hornbrook		H. Finningan	
H. S. Bell		R. Matheson	
J. Scobie	27	C. R. Tanner	9
W. J. Monk (skip)		J. E. Harvey (skip)	
J. Munro		R. C. Aitenhead	
A. L. Slack		A. Sharp	
A. Y. Tait	26	J. Morton	14
W. J. Ward (skip)		A. Marshall (skip)	
W. Napier		W. R. Chisholm	
J. J. Evans		H. McMahon	
G. Stock	15	J. Wotherspoon	25
T. J. Goodman (skip)		A. Cheetham (skip)	
E. R. Harmer		W. Grant	
W. Lyle		C. Keenan	
A. M. Parker	26	J. Colquhoun	16
Total	94		64

Clube Beat J.G.C.

In the match between the Junior Golf Club and the Clube Lusitano at Hongkew Park the latter team closed the game 32 shots ahead of the visitors. D. Denton managed to save a 6 point defeat by winning his rink with a score of 24 against 18. The biggest margin was shown by A. M. Gutierrez who concluded with 27 shots in his favour over his opponents score of 10. The greens were in a rapidly drying condition which added interest to the game.

J.G.C.		v C.L.	
D. Denton (skip)		J. M. B. Gutterrez (skip)	
A. Roberts		F. C. Ozorio	
A. Miles		J. M. Gutierrez	
R. Cranfield	24	T.G.J. d'Almeida	18
R. S. Duff (skip)		A. M. Gutierrez (skip)	
E. P. Ephgrave		A. M. Souza	
C. Capes		E. C. J. Pereira	
S. V. Heley	10	F.M.F. Gutierrez	27
C. Clements (skip)		H. A. Ozorio (skip)	
H. P. Mollay		L. F. Lopes	
W. Watson		D. M. P. Gutterres	
M. Benton	17	F. Machado	30
R. Thomson (skip)		M. P. de Campos (skip)	
J. Walker		S. del Rivero	
J. J. Gaffney		J. F. da Silva	
K. L. Swartzell	11	C. L. Passos	19
Total	62		94

Country Club Friendly

The friendly game at the Country Club was played under somewhat heavy conditions. The visitors, the Shanghai Lawn Bowls Club 'Blue' were the victors in all three rinks completing with the healthy margin of 71 shots to 38.

S.L.B.C. "Blue"		C.C.	
H. Wallace (skip)		C. W. Porter (skip)	
W. A. Turnbull		W. G. Crokam	
E. Jacobs		H. W. Kindon	
H.H.M. Broomhall	27	J. R. Weeks	9
C. W. Glover (skip)		I. A. Beith (skip)	
C. Richards		M. Hendry	
D. MacDonald		F. S. Collett	
N. H. Lacey	27	E. F. Bateman	13
A. Harvey (skip)		L. J. Davies (skip)	
G. Sinclair		M. Reader Harris	
A. V. Sennett		A. Kendal Wards	
C. E. Harber	17	J. T. W. Brooke	16
Total	71		38

Giants Continue Winning Pace, Trouncing Hapless Dodgers

Yankees Shut Out Senators; Dickey Goes on Batting Rampage Driving in 7 Runs

New York, July 1.

THE New York Giants continued their mad pace in the National League by trouncing the hapless Brooklyn Dodgers today by a score of 3-1. Harry Gumbert pitched good ball, limiting the Flatbush Funnybone Fellows to eight scattered blows. Seeds was the big gun of the Giant attack, blasting out a home run in the fifth inning with two mates on the sacks for the three runs that brought victory. Harry Danning also had a good day with the willow, connecting for two doubles and a single.

The Boston Bees had a disastrous day, dropping both ends of a twin bill to the Philadelphia Phillies, 4-1, 5-0. Three runs in the ninth inning enabled the Phils to win the opener, aided by a home run from the bat of Maggert.

In the nightcap, the Phils put the game in the bag in the second, when they scored two runs. Lamaster, with two singles, drove in three runs.

St. Louis and Pittsburgh were rained out, while Cincinnati and Chicago will meet in a night game.

Yanks Set Hot Pace

In the American League, the New York Yankees also continued their hot pace by shutting out the Washington Senators, 8-0. Three runs in the fourth and four in the fifth were the big innings for the Yanks. Bill Dickey went on a rampage, connecting for two home runs and a single in four trips to drive in no less than seven runs.

The Boston Red Sox registered a lopsided win over the Philadelphia Athletics, 12-7. Six runs in the eighth inning sent Potter to the showers and from then on it was easy picking. Jimmy Foxx, with a homer and a double accounted for five Boston runs, while Brucker homered for the Macks.

National League

	R.	H.	E.
Philadelphia	4	7	1
Boston	1	5	3 (opener)

Batteries: Passeau and Atwood; Lanning, Reis and Mueller.

Philadelphia	5	8	0
Boston	0	5	0 (night cap)

Batteries: Lamaster and Atwood; Erickson, Kenny and Riddle.

New York	3	8	1
Brooklyn	1	8	1

Batteries: Gumbert and Danning; Hamlin, Pressnell and Phelps. Shea. St. Louis v. Pittsburgh postponed because of rain.

American League

Washington	0	6	0
New York	8	10	0

Batteries: Kelley, Hogsett and R. Ferrell; Chandler and Dickey.

Boston	12	10	2
Philadelphia	7	10	7

Batteries: Grove and Desautels; Thomas, E. Smith and Brucker. Chicago v. Cleveland postponed because of wet grounds.

Chicago	11	15	1
Cincinnati	4	5	6

Batteries: Bryant and O'Dea; Derringer, Weaver, Moore Schott, and Lombardi.

Team Standings

NATIONAL LEAGUE	Won	Lost	Pct.
Cincinnati	35	28	.556
Chicago	36	29	.554
New York	41	24	.631
Pittsburgh	33	25	.569
Cincinnati	35	27	.565
Chicago	35	29	.547
Boston	28	30	.483
St. Louis	28	31	.475
Brooklyn	26	37	.413
Philadelphia	18	41	.305
AMERICAN LEAGUE			
Cleveland	40	22	.645
New York	33	25	.603
Boston	36	28	.563
Washington	34	34	.500
Detroit	33	33	.500
Philadelphia	26	34	.433
Chicago	24	33	.421
St. Louis	19	42	.311

—United Press.

Local Chess Tourney

As previously announced a Summer Elimination Tournament will be held under the auspices of the International Chess Club at the Foreign Y.M.C.A. commencing Wednesday, July 6, at 7 p.m.

Entries for this competition will close at 6.30 p.m. of the same day when the draw for the first round will be made.

The tournament is open to all Shanghai chess players, non-members of the Chess Club will be charged $1 entrance fee.

Mr. Lapiken, one of the leading Russian chess players of Shanghai gave a simultaneous exhibition at the Jewish Chess Club on the night of the 1st. The result against an opposition of 15 players was 12 won, 2 lost and 1 drawn game.

Suzanne Lenglen Better

Paris, June 30.

Suzanne Lenglen, France's greatest woman tennis player, was considerably better today after receiving three blood transfusions. The retired tennis star is lying seriously ill in a hospital here suffering from pernicious anemia.—United Press.

THIS AFTERNOON 2.30

(Rain or Shine)

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APOLLO'S GAUCHOS

FRANCISCA

Spanish Dancer

FOREIGN HOSTESSES

SOL GREENBERG, Manager

COMMERCE AND FINANCE

London Stocks

Friday's Closing Quotations

London, July 1.

Sentiment on the stock exchange today remained bright, despite the overnight check in the Wall Street advance. International issues ruled irregular, but several industrials made headway, while Kaffirs were featured on good Paris support. German and Austrian bonds rose sharply, following news regarding interest payments.—Reuter.

	June 30	July 1
War Loan 3½% (Red.)	£102 1/16	102⅛
JAPANESE BONDS		
Japan 5% Stg. Loan, 1907	43	43
Japan 6% Stg. Loan, 1924	51	51¼
COMMERCIAL AND INDUSTRIAL		
Allied Ironfounders	21/-	21/-
Armstrong, Stevens	6/9	6/9
Assoc. & Elec. Indus.	38/-	38/3
Austin Motors, ord.	25/9	25/9
Bristol Aeroplane, ord.	54/7½	55/9
British-American Tob.	103/9	103/9
Cable & W., new form	50	50½
Cammell Laird, ord.	7/10½	8/3
Courtaulds	37/3	37/4½
Distillers	97/9	98/3
Dunlop Rubber	29/1½	29/1½
General Elec. (Eng.)	76/1½	76/-
Guinness (A) Son & Co.	118/3	119/6
Hawker Siddeley Aircraft	27/-	27/-
Imp. Chem. Indus.	31/9	32/1½
Imp. Tobacco	139/4½	139/4½
Leyland Motors	82/6	83/-
Marks & Spencer "A" ord.	58/9	59/4½
Pressed Steel, com.	15/-	15/1½
Rolls-Royce	103/1½	103/9
Smethwick Drop Forgings	16/3	16/3
Tate & Lyle	78/1½	78/4½
Turner & Newall	81/1½	81/3
United Steel	23/4½	23/3
Vickers, ord.	21/10½	21/10½
Woolworths	64/-	64/-
MISCELLANEOUS		
Anglo Dutch	29/6	29/6
Rubber Pltn. Invest.	30/3	30/-
MINES		
Burma Corp	10/9	10/9
Commonwealth Min.	2/3	2/3
Marsman Invest.	12/6	12/6
Randfontein Ests.	33/1½	33/6
Sub-Nigel	211/3	213/9
Tanami Gold Min.	6d.	6d.
Western Holdings	14/9	16/1½
OILS		
Anglo Iranian	94/4½	96/3
Burmah	85/-	85/7½
Mexican Eagle	5/-	5/1½
Shell Trans. & Trad.	89/4½	90/-
CHINESE EXTERNAL LOANS, ETC.		
4½% Gold Loan, 1898	£75	75
5% Gold Bonds, 1925-47	68½	68½
4½% Anglo-French Loan	89	89
5% Crisp Loan, 1912	47	47
5% Reorg. Loan, 1913	62	61 XD
8% Stg. Notes, 1925	15½XD	15½
5% Honan Rly., 1905	30	30
5% Hukuang Rly., 1911	25	25
5% ,, ,, (Ger. Is.)	23	23
5% Lung Tsing U. H. Rly.	15½	15½
5% S'hai-Nanking Rly.	23	23
5% T'tsin-Pukow Rly. B.	23	23
5% ,, ,, G.	23	23
5% ,, ,, (Supl. Loan) B.	23	23
5% ,, ,, (Supl. Loan) G.	23	23
5% Canton-Kowloon Rly.	17	17
S'hai Elec. Construction	25/- N	25/- N
S'hai Waterworks "A"	18 N	18 N
Un. Ins. Soc. of Canton	31½ N	31½ N
Chartd. Bank of I. A. & C.	11⅝	11⅝
H. & S. Bank (Ldn. Reg.)	89	89
,, ,, (Col. Reg.)	90	90
Chinese Eng. & Min.	15/-	15/-
Chosen Corp.	8/-	8/-
Pekin Syndicate	2/- N	2/- N
Gula Kalumpong Rubber	24/4½	24/4½

XD—Ex dividend. N—Nominal.

British Commodities

Friday's Closing Quotations

London, July 1.

Commodities, generally, were quiet in sympathy with Wall Street advices, though rubber finally rallied briskly on the appearance of general buying.

London Rubber: Spot, buyers 7⅜ unch; sellers 7 7/16 +1/16; August delivery, buyers 7¼ +1/16; sellers 7⅜ +1/16.

London Sugar (Buyers): August 4/11¾ unch; December 5/- unch; March 5/1 unch.

Liverpool Wheat: July 6/5⅛ —½; October 5/10¾ —⅞; December 5/9¾ —1.

Liverpool Cotton: American Futures: July 4.79 —1; Oct. 4.89 —1; Jan. 4.94 —1; Mar. 4.96 —1.

Egyptian Futures (Giza, F.G.F. No. 7): July 6.50 +3; Sept. 6.52 +3; Oct. 6.63 —5; Nov. 6.68 —5.

London Metals: Copper, Standard, cash, sellers £38 3/16 +1/16; 3 mths sellers 38 7/16 +1/16; Electrolytic, buyers £42¼; +¼ sellers £43¼ +¼; Tin, Standard, cash, sellers £188¼ —1¼; 3 mths sellers £189⅜ —⅞; Lead, foreign, official price, sellers £15⅛ unch; 3 mths delivery, official price, sellers £15¼ +⅛; Spelter, ordinary, official price, sellers £14 5/16 +⅛; 3 mths delivery, official price, sellers £14 9/16 +3/16.—Reuter.

Foreign Exchanges

Bombay Rupee T. T. on: July 1.

Japan	79⅛	London 2 months	1/5 21/32
New York	272¼	,, (sellers)	1/5 21/32
Shanghai	52¾	,, (buyers)	1/5 23/32
Hongkong	85¾		

London £ Sterling T. T. on:

New York	495.62	Shanghai	9¼d. N
Paris	177.90	Bombay	1/5 21/32
Berlin	12.30¼	Hongkong	1/3 1/4
Amsterdam	8.95 9/16	Singapore	2/3 15/16
Brussels	29.23	Yokohama	1/2
Madrid	90.00 N	,, (buying)	Unq.
Milan	94.15	C'slovakia	142.81
Berne	21.60		

New York U.S.$ T. T. on:

Berlin	40.29	Japan	28.92
Spain	Unq.	Shanghai	18.56
Holland	55.36½	Austria	Unq.
Paris	2.78⅝	C'slovakia	3.47¼
Brussels	16.95	Hungary	19.80
Italy	5.26¼	Rumania	0.74½
S'zerland	22.95	Yugo Slavia	2.33
Sweden	25.56	Greece	0.91⅛
Norway	24.91	Bulgaria	1.25
Denmark	22.13	Finland	2.19½
Montreal	99.060	Poland	18.87
Brazil	5.90		

London	4.95 11/16
,, Demand	4.95½
,, Bankers' 60 days bills	4.94 13/16
,, Commercial 60 days bills	4.94 13/16
Buenos Aires Paper	30.75
Buenos Aires Paper, Market rate	26.07
Montreal on London	5.00¼

—Reuter.

Foreign Money Rates

London: July 1.

Fine Bank Bills, 3 months	0 9/16%
Bank Bills, 6 months	0 21/32%
Fine Trade Bills, 3 months	2¼%
Fine Trade Bills, 6 months	2¾%
Call Money	0½%

New York:

Bankers' Acceptances for 1, 2 and 3 months	0½%B 0 7/16%A
Bankers' Acceptances for 4 months	0 9/16%B 0½%A
Call money	1%

B—Bid A—Asked—Reuter.

Silver Quotations

London, July 2.

A slightly higher level was witnessed for silver prices today, when both the "spot" and "forward" positions advanced 1/16d. from yesterday's levels.

	July 1	July 2
London spot	18 15/16d.	19d.
,, forward	18 13/16d.	18⅞d.
London/New York:		
One pound	U.S.$4.95⅝	$4.95⅝
One U.S. dollar	48.424d.	48.424d.
Gold	140/9d.	140/9d.

—Reuter

U.S. Commodities

Friday's Closing Quotations

New York, July 1.

Prices in the cotton market were generally steady to firm in sympathy with stocks, and after an early reaction due to liquidations and realizing, the market again advanced on contracts being scarce, fair trade and foreign buying and a forecast of renewed showers over most of the belt attracting attention. Finally, the market advanced further on increased Wall Street buying and covering and closed very steady, with quotations ranging from 21 to 23 points up.

After early irregularity, the rubber market advanced on the strength of stocks, a rally in London, higher cost and freight offerings, covering, a fresh speculative, foreign and commission house demand and renewed factory buying of forwards which easily absorbed dealer selling and profit-taking. At the last call-over, gains of 50 to 57 points were recorded.

Wheat prices in Chicago eased on hedging, liquidation, increased marketings from the south-west, satisfactory conditions in the Spring wheat belt, rains in parts of Canada and evidences of Russian pressure. Towards the close, prices recovered on evening-up operations and the firmness of Wall Street advices. At the final bell, quotations ranged from unchanged to ⅛ of a cent up.

The sugar market advanced on foreign, local and outside buying, covering, the steadiness of London advices, prompt stoppage of 32 notices, and the absence of selling pressure. At the close, quotations ranged from a ½ to 3½ points up.

Prices in the silk market today advanced to new highs on encouraging cables, better than expected mill deliveries during June, the action of securities, covering of July option and a fresh trade and speculative demand for distants. Offerings were light and mostly on the scale-up. Towards the close, there was some importer selling and profit-taking. Closing quotations were from 5 to 7 per cents up.

New York Cotton			New York Rubber		
July	8.91 N	+21	May	9.07-07	+23
Oct.	8.90-91	+21	Sept.	15.35-35	+50
Dec.	8.97-97	+22	Dec.	15.45-50	+55
Jan.	8.98-98	+21	Jan.	15.49 N	+57
Mar.	9.04-04	+23	Mar.	15.52-54	+54

New York Sugar No. 4			New York Silk		
Sept.	0.93½-94 B/A	+½	July	1.76-77½ B/A	+7

Chicago Wheat			Chicago Corn		
Sept.	75¼-75⅛	+⅛	Sept.	58⅜-58½	—⅛
Dec.	77⅛-77	unch.	Dec.	57⅜-57⅝	unch.

B—Bid A—Asked.—Reuter.

U.K. Gold Movements

London, July 1.

Movements of gold in the United Kingdom during the week ended June 29 resulted in a surplus of imports over exports by £4,548,000, compared with net imports of £3,108,000 for the previous week.

Imports during the period under review amounted to £6,782,000 and included shipments from the following principal sources: Switzerland £35,000; Belgium £1,331,000; Canada £599,000; British India £146,000; Australia £334,000; Soviet Union £1,130,000; British Africa £2,862,000; France £220,000; Peru £46,000; New Zealand £28,000 and Venezuela £27,000. The previous week's imports totalled £5,912,000, including £53,000 from Switzerland; £3,954,000 from Belgium; £522,000 from Canada; £141,000 from British India; £37,000 from Australia and £1,133,000 from the Soviet Union.

Exports during the period under review amounted to £2,234,000, and included shipments to the following countries: The Netherlands £494,000; France £230,000; Sweden £770,000; Switzerland £520,000; Finland £23,000; United States £78,000; Poland £34,000 and Belgium £28,000. The previous week's exports totalled £2,804,000, including £1,022,000 to The Netherlands; £603,000 to France; £777,000 to Sweden; £292,000 to Switzerland; £44,000 to Finland and £29,000 to Palestine.—Reuter.

New York Sugar Market

New York, July 1.

No. 3 Contract: During the past week prices showed an initial tendency to lag, but then joined the upward trend of other markets on increased speculative buying and hedge covering.

Raw Sugar: Ruled a little steadier on the mild improvement in refiners' interest and the strength shown by stocks and other commodities. This week's sales totalled 172,000 bags of Philippine sugar and 30,000 bags of Puerto Rican.

Refined Sugar: Sentiment was somewhat more optimistic as a result of the better tone prevailing in other markets. However, in view of the unchanged statistical position, holders are inclined to sell on every little upturn. Meanwhile, in the event of signs of an increase in domestic consumption and more enquiries, higher prices may be expected.—Reuter.

Italy's Cotton Industry

Rome, July 1.

The Italian cotton industry, encouraged by the Government during the past several years, now employs 200,000 workers and 5,000,000 spindles, latest statistics show.

Important plans are being made with regard to the production of cotton in Ethiopia, too, as Italy pushes all efforts in her attempt to reach a point where she will be able to supply all of her own cotton needs. It is hoped that Sicily and the southern provinces alone can fill one-sixth of the country's requirements.—Havas.

Manila Gold Shares

(Closing Bids in Pesos)

	July 1	July 2
Antamok	.39	.29
Atok	.26	.26
Benguet Consolidated	9.90	9.80
Consolidated Mines	.003	.003
Demonstration	.28	.23
Mine Operations	.10	.11
San Mauricio	.44	.44
United Paracale	.30	.29

Turnover: 135,000 Pesos.
Shares Index (closing prices) 77.12.

Japanese Govt. Bonds

Osaka, July 2.

Kogo 5% Y.103.43

—Reuter.

New York Stocks

Friday's Closing Quotations

New York, July 1.

Stock prices on Wall Street today generally finished with gains up to about 3 points, with the strength of commodities sustaining further bullish sentiment, while a more hopeful business outlook also aided the market. Metals were stimulated by higher commodities, while aviations benefitted by War Department orders totalling $14,000,000. Rails received support on contra-seasonal gains in carloadings. The turnover today amounted to 2,220,000 shares.

Dow-Jones Averages

	High	Low	Close	Changes
30 Indust.	137.13	133.53	136.53	+2.65
20 Rails	26.83	25.81	26.69	+0.67
15 Utilit.	22.35	20.98	22.05	+0.99
40 Bonds	—	—	87.55	+0.44
11 Commod.	—	—	59.30	+0.98

	June 30	July 1
Adams Express	*10⅞	11¼
Alleghany Steel Co.	19¼	19
Allis Chalmers	48½	49¼
Amer. Can	96½	99½
Amer. & For. Power	4	4⅞
,, ,, $7 pfd.	21	23⅝
Amer. Locomotive	20¼	20¾
Amer. Metal	34½	37
Amer. Radiator	14¾	15
Amer. Rolling Mill	20⅝	20¾
Amer. Smelting	48¾	50
Amer. Sugar Refining	B 26¼	26¼
Amer. Tel. & Tel.	141½	142
Amer. Tobacco "B"	77¾	78⅜
Amer. Waterworks	10½	11¾
Anaconda Copper	31	33
Atchison, T. & S. Fe.	33	35⅝
Auburn	3½	3½
Baltimore & Ohio	7⅛	7¾
Baltimore & Ohio. 4% pfd.	8⅝	9⅝
Barber Asphalt Corp.	19⅛	20⅛
Barnsdall Oil Co.	15¾	17
Bethlehem Steel	58¾	60⅞
Boeing Airplane Co.	26⅛	26⅜
Borg Warner	28¼	29⅝
Briggs Mfg. Co.	24¼	25½
Brooklyn-Manhattan Trans.	9½	9½
,, $6 cum. pfd.	27¼	B 27½
Can. Pacific Rly.	6⅞	7¼
Case, J.I.	91⅛	96
Chase Nat. Bank	B 31¾	B 32⅝
Chesapeake & Ohio	30¾	32
Chrysler	59⅜	62½
Columbia Gas & Elec.	7⅜	8⅛
,, ,, "A" pfd.	68	68
Coml. Credit	38	39
Comm. & Southern (ord.)	1½	1⅝
,, $6 cum. pfd.	42	42¾
Consolid. Edison	26⅞	28¼
Consolid. Oil	9⅝	9¾
Continental Can	48	47¼
Continental Oil	31	32⅞
Corn Products	66	*65⅜
Curtiss Wright (com.)	4⅞	5
,, ,, "A"	20¾	20⅞
Distillers Corp. Seagrams	14⅜	15
Douglas Aircraft	47⅞	48⅞
Du Pont de Nemours	119¾	121¾
Eagle Picher Lead	11⅛	11
Elec. Bond & Sh.	8⅞	9½
,, ,, $5 pfd.	B 49	51½
,, ,, $6 pfd.	54	57
Elec. Power & Lt.	42	44¼
Flintkote Co.	18⅝	19⅛
Gen. Elec.	40⅛	41¾
Gen. Motors	36⅛	37¾
Gen. Rly. Signal	20¼	20⅛
Glidden Co.	22¾	24
Goodrich (B.F.)	16⅞	17⅛
,, $5 pfd.	45	48¾
Goodyear Tire & R.	22¼	22⅞
Great Nthrn. Iron Ore	12⅞	12⅞
Great Nthrn. Rly.	18¾	20⅛
Great Western Sugar	26¼	26¾
Greyhound Corp.	11¼	11⅞
Hecker Prods.	7¾	7¾
Int. Nickel	49⅜	50¼
Int. Tel. & Tel.	10⅛	10⅝
Kennecott	38¼	40
Libby-Owens-Ford Glass	38	38⅞
Lockheed Aircraft	13	12⅞
Loew's Inc.	49⅝	50¾
Macy, R.H.	37½	38¼
Martin, Glenn L. Co.	23⅜	24
McKesson & Rob. $3 pfd.	31½	31½
Monsanto Chemical	89½	92¼
Montgomery Ward	41⅞	43⅜
Nat. City Bank	B 26¾	B 27⅝
Nat. Dairy Prods.	15	15⅜
Nat. Distillers	22	22⅞
Nat. Power & Lt.	7½	7⅞
Nat. Supply Co.	19	20
New York Central	16	16¾
North Amer.	21¾	23
Northern Pacific	10¼	10¾
Pacific Gas & Elec.	28⅝	29¼
Pacific Lighting	39¼	40
Packard Motors	4¾	4⅞
Paramount Pictures Inc.	10⅛	11
Pennsylvania R.R.	18¾	19⅛
Phillips Petroleum	40	41⅜
Public Serv. of N.J.	31	32⅜
Pure Oil	11⅝	12
Radio Corp. of Amer.	7	7
Republic Steel Co.	18⅝	19⅛
Reynolds Tobacco "B"	42	41¾
Schenley	19	20
,, 5½% pfd.	71	74
Sears Roebuck	66⅛	67½
Shell Union Oil	*15¾	16¼
Socony-Vacuum	14⅝	15⅛
Sthrn. Pacific	15½	16⅜
Sthrn. Rly. 5% pfd.	16	17⅛
Stand. Brands	8¼	8⅛
Stand. Gas & Elec.	4½	4⅜
Stand. Oil of N.J.	52⅞	55⅜
Stone & Webster	9⅝	10⅜
Swift International	27	27
Technicolor	23⅛	22⅞
Texas Gulf Sulphur	34	34
Tw.-Century-Fox Film.	23⅜	23
,, ,, pfd.	32	35⅛
Un. Carbide & Carbon	77¼	79⅜
Un. Pacific	82	83
Un. Aircraft (new)	27¼	27⅞
Un. Airline Trans.	8⅜	9
Un. Corp.	3	3⅛
,, $3 pfd.	29⅛	32⅛
Un. Gas Corp.	4⅛	4⅜
Un. Gas Improvement	10¼	11⅛
U. S. Rubber	36	38⅛
,, 8% pfd.	75½	79
U. S. Steel	56⅜	59
Vanadium	17⅝	18⅛
Warner Bros. Picts.	6¼	6½
Westinghouse Elec.	96¼	99½
Woodward Iron	15¼	16
BONDS		
Amer. & For Power 5s	56¼	59
Brazil	13½	13½
Cities Serv. Pwr.	61	63½
Int Tel. & Tel. Conv.	98⅞	98¾
Int. Tel. & Tel. 5s	72¼	72½
New England Gas & Elec.	53⅛	54¾
Sthrn. Pacific	59½	60¾
Stand. Gas & Elec.	53¼	55

B—Bid *Ex Dividend.—Reuter.

Dow-Jones Summary

By Courtesy of Swan, Culbertson & Fritz

Improvements witnessed on the Stock Exchange today were mainly attributed to purchases by larger traders who took sizeable amounts, while the "little fellow" continued to buy and some foreign shorts covered. Favourable factors today included: Automobile output showed a contraseasonal gain; the third advance registered by carloadings; steel scrap prices rising another $0.25; and, increasing wholesale and retail sales. Unfavourable factors were: Continued fear of stock corrections, with the belief prevailing that the advance has been too rapid, and lagging wheat prices.

Chicago Wheat Market

Chicago, July 1.

Wheat prices on the Chicago Board of Trade further declined irregularly during the past week, with the volume of trading sharply restricted. Unofficial estimates of the Spring wheat crop averaging 263,000,000 bushels and the Winter wheat crop 716,000,000 bushels failed to stimulate the market to any appreciable extent, although being some hundred millions of bushels below the forecasts of last month.

The progress of the harvest in the south-west continues to exert some pressure, while, at the same time, the trade is quite undecided about the outlook. On the one hand, there is the possibility of extensive rust damage in the north-west and prospects of a rising demand, owing to business conditions being generally improved. On the other hand, demand is currently very slack both here and abroad, while the huge surplus must still be reckoned with. An uninteresting trade market, therefore, can be expected for the near future, pending clarification of the situation.—Reuter.

U.S. Steel Scrap Advances

New York, July 1.

No. 1 steel scrap at Pittsburgh was today sold at $13.25 per ton, an advance of $0.25 from the previous price.—Reuter.

Whiteaway's Annual Meeting

Net Profit of 23,476 as Against Loss of 3,596 in The Previous Year

The Thirtieth Annual General Meeting of the shareholders of Whiteaway, Laidlaw and Co., Limited, was held on May 16 at Winchester House, Old Broad Street, London, E.C. Mr. J. E. Percival, F.C.A. (chairman), presided.

The Report states that there are increased sales generally throughout the Company's Branches, but I think reference to the more important Branches, at any rate, will be of interest to the Shareholders.

India

The Inauguration of Provincial Autonomy took place early in 1937 and, for some months there was in India a general expansion in business, although towards the end of the year there was a definite falling off.

The Company's turnover for the year in India showed a moderate increase over the previous year, but any further substantial increase must largely depend on the general prosperity of that country.

Ceylon

Ceylon generally has had a good year, and your Company's Branches have shown a substantial increase in turnover, and although rubber prices have fallen off, your Board is not unduly pessimistic as to future results.

Malaya

As you are no doubt aware, trade in Malaya improved very substantially in 1937, and was greater than at any time since 1929, the result being a good year generally.

Unfortunately, there was a heavy falling off in January and February, 1938, in the rubber and tin industries, which were largely affected by the conditions in America, where the purchase of these commodities fell considerably.

The turnover in all the Company's Branches in Malaya showed a substantial increase during last year, but the general conditions of the country must affect the spending power of the residents, and a further substantial increase during 1938 cannot be reasonably contemplated.

Java and Sumatra

I am glad to report that the turnover in these countries has also shown substantial improvement, although present trading conditions are somewhat uncertain.

Kenya Colony

The Kenya Group has shown satisfactory results during the year under review, and your Board is hopeful that the business in this country will continue to show steady improvement.

China

The general improvement in trading during the early part of 1937 was satisfactory, but the disturbances caused by the hostilities there very adversely affected the Company's trading in Shanghai (where the Company has one of its largest Stores), although not so much as your Directors feared at one time.

The Hongkong and Tientsin Branches, which are small compared with the Shanghai Store, showed increases which may partly have been accounted for by the conditions in Shanghai.

I am very glad to inform you that our premises in Shanghai were hardly damaged at all, but you will, of course, realize that the Management and staff had a very anxious and worrying time, apart from loss of business. I am informed that they loyally stood to their jobs, and a word of appreciation to them from this meeting would be justly and warmly welcomed.

It is impossible to estimate, with any accuracy, the results in this territory for the current year, but your Board is hopeful that the reduction if any, in turnover, will not be substantial.

South America

Reference is made in the directors' report to the satisfactory increases in sales at all the branches of this group, and further increases must naturally depend upon local conditions. In this connection the Manager in Buenos Aires reports:—

"Everything, of course, depends on the next season's crops, but there is no doubt that the position is not so favourable as the past year. Nevertheless, I consider that our business having consolidated itself during the past few years, will show still further progress during the present financial year."

Directors' Report

Reference is made in the Directors' Report to the possibility of a reconstruction scheme. On my appointment as Chairman on March 1 last, one of the financial papers announced that the appointment augured an immediate reconstruction. The Board met the following day and a notice was sent to the press that the directors did not contemplate being in a position to submit, in the near future, a reconstruction scheme likely to be acceptable to all classes of shareholders.

Before any such reconstruction scheme can be submitted, a substantial increase in the profits must have taken place, or, at any rate, very strong indications that the profits are likely to show substantial increases in the immediate future.

I think my review of the various centres where we have branches has indicated to you that the conditions everywhere are not sufficiently settled to rely upon substantially increased profits, either in the East or in Buenos Aires for some little time to come, and I do not contemplate the possibility of being in a position to submit to you a reconstruction scheme for at least two years. I think it is only right that this matter should be made quite clear. If any unforeseen event should occur in which there is a likelihood of reconstruction taking place at an earlier date, the Shareholders will be informed.

Accounts

As the Balance sheet is now drawn up and the position is so clear, it seems to me there is little left to comment upon, and it does not, therefore, appear to me to be necessary to deal at length with the various items.

The Fixed Assets are reduced by shown in the Profit and Loss Account, of $26,573 the difference being additions at various Branches.

Stock in trade and debtors show an increase of £46,000 and cash £5,000.

On the other side, the current liabilities show an increase of £7,000, in round figures.

The excess of current assets over liabilities is £543,000, a figure substantially in excess of the 6 per cent. Preference Capital.

Turning to the Profit and Loss Account, it will be seen that the increase in profit on trading is £27,000, and the balance of net profit for the year £23,476, compared with a loss of £3,596 in the previous year which, when added to the balance brought forward from the previous year, leaves a credit balance of £25,047, which the directors recommend should be carried forward.

U.S. Silver Imports

New York, July 1.

Silver to a total value of $1,740,000 was imported by the United States during the week ended June 24, compared with $5,550,000 during the previous week. Consignments of the white metal during the period under review were received from the following principal sources: Canada $360,000; Mexico $867,000; Peru $149,000; England $253,000; The Philippines $10,000; The Dominican Republic $12,000; Turkey $4,000; Australia $79,000; Yugo Slavia $4,000 and Costa Rica $1,000.

Imports during the previous week came from the following principal countries: Canada $134,000; Mexico $644,000; Peru $243,000; England $4,346,000; The Philippines $10,000; The Dominican Republic $6,000; Turkey $3,000; Australia $5,000; Chile $27,000; Japan $85,000; France $6,000; Honduras $34,000; Nicaragua $5,000 and Ecuador $1,000.—Reuter.

New York Cotton Market

New York, July 1.

Irregular conditions prevailed in the New York cotton market during most of the past week, with the advances attracting increased realizing, despite the stimulating strength of the stock market. Latterly, the market firmed briskly on heavy Wall Street buying and the renewed activity of textiles.

Sentiment was moderately bullish, but trade circles are still somewhat hesitant, partly due to the awareness of the favourable statistical position, and partly due to the inclination to await new crop developments.

The effects of Japanese restriction order on the domestic use of cotton are being closely watched.

Meanwhile, the more favourable outlook of general business, as reflected in Friday's heavy speculative demand, remains the principal stimulant pending further crop advices.—Reuter.

U.K. Silver Movements

London, July 1.

Silver movements in the United Kingdom during the week ended June 29, resulted in a surplus of exports over imports by £27,000, compared with net exports totalling £488,000 during the previous week.

Exports of the white metal from the United Kingdom during the period under review totalled £92,000 including shipments valued at £68,000 to the United States. Exports during the previous week totalled £983,000, including shipments of £920,000 to the United States and £55,000 to Belgium.

Coming from various sources, imports of silver for the same period amounted to £65,000, of which £22,000 was brought from France. Imports for last week summed up to £495,000, including £460,000 from China.—Reuter.

New York Bond Market

New York, July 1.

A firm tone continued to be seen in the New York Bond market during the past week with trading of a rather selective character. Lower grade rails and utilities were in demand during the latter part of the week as the strength of the stock market continued to be a stimulating factor. Government issues ruled quiet and narrow, but generally sustained their levels fairly well.

In the foreign section of the market, conditions were quiet and fairly firm. Italian issues further hardened on the better outlook of relations with Great Britain. Austrian loans showed no perceptible reaction to reports of an Anglo-German settlement on the debt service question.—Reuter.

Berlin Bourse

Berlin, July 1.

Business on the share market was again marked by a friendly tone although the amount of investments made did not come up to expectations. Offers from non-Aryan quarters still remained a characteristic feature notwithstanding the fact that the extent of these offers has declined appreciably in comparison with the preceding week.

Chief interest was again focussed on the mining market with several of these issues rising over one point. There was also a demand for A.E.G. and Unites Steels. German Petroleum also advanced a point.

Call money stood at 3.¼ to 3.½ per cent.—Trans-Ocean.

Paris Bourse

Paris, July 1.

A heavy opening was witnessed on the Paris Bourse today owing to irregularity on foreign exchanges and profit-taking. During the session, arbitrage trading resulted in most issues regaining a good part of their early losses.

Closing prices saw most stocks at their day's highs, led by rubbers.—Havas.

Bullion Shipments

London, July 1.

The P. & O. ss. "Corfu" is carrying bullion in silver to the value of £11,200, including the following: £6,800 to Aden option Bombay; £3,300 to Aden; £700 to Hodeidah; £400 to Alexandretta.—Reuter.

Reichsmark Quotations

Berlin, July 1.

The Reichsmark was quoted today at New York 40.285 Paris 1446.50 Amsterdam 72.765 London 12.305 Paris quoted sterling at 177.07 to 177.90 and the U.S.A. Dollar at 35.905—Trans-Ocean.

U.S. Domestic Copper

New York, July 1.

The price of domestic copper has been further raised today and is now quoted at 9½ cents per pound. Prices of fabricated products have been advanced by a ½ cent per pound.—Reuter.

Sun Insurance Co. Annual Meeting

Increased Premium Income Shown in All Classes of Business; Dividend Up

The annual general meeting of the Sun Insurance Office, Ltd., was held on May 24, at 63 Threadneedle Street, London. The Hon. Sir William H. Goschen, K.B.E., chairman, presided. The chairman in his speech said.

In my address last year I pointed out that the year 1936 was marked by greatly improved conditions at home and within the Empire. This better state of things continued during a considerable part of 1937.

It will be remembered that in the latter part of the year a rapid deterioration of business conditions, accompanied by a fall in commodity values, took place in the United States of America. This deterioration (largely due to a domestic conflict between the Government of the U.S.A. and business interests) inevitably had a restrictive effect on conditions in our country. In my view, however, the fundamental cause of such recession as has occurred at home is the growing political unrest in Europe, emphasized as it is by a general speeding up of rearmament. This of itself has brought to the world at large, and perhaps to our own country in particular, a growing sense of lack of security and of confidence. Paradoxical as it may seem, the conclusion has at length been reached that the only available road to peace lies through intensive preparation for war.

The efforts now being made by our Government towards appeasement in the political sphere have won the approval of the large majority of our fellow countrymen. In my opinion it can only be through such appeasement, accompanied by trading agreements, that we can hope for a restoration of confidence or any improvement in the economic sphere. An increase in the volume of international trade and the removal of existing trading and currency restrictions are first necessities of the world today. Progress towards this end must necessarily be slow and must depend upon the creation of a spirit of good will and cooperation among the leading nations of the world.

The Accounts

I will now deal with the accounts for the past year. These, I think you will agree, give every cause for satisfaction. In 1937 there was an expansion of premium income in all classes of our business and the aggregate underwriting profit obtained in the fire and accident branches constitutes a record in the long history of our office.

The Dividend

We are recommending a small increase in the rate of the final dividend, bringing the total dividend for the year up from 53⅓ per cent. to 55 per cent., and in due course you will be asked to confirm this proposal.

The total income from investments for the year after deduction of income-tax is £271,275, but from this figure must be deducted the sum of £13,500 representing National Defence Contribution on income from investments. The balance remaining—namely, £257,775—compares with the net cost of the two dividends for the year of £249,517.

Referring once again to our Founder, Mr. Charles Povey, I find that in a memorial dated 1736, presented by him to King George II, he used these words:—

"The Sun Fire Office will have a Being, even to the last Period of Time."

Daring as this prediction must have seemed, I think it can be said with truth that at no time in our long history has our office shown greater strength and vitality than in this, its 228th year. (Applause.)

I now have formally to move:—"That the report and accounts for the year ending December 31, 1937, be received and adopted and that a further and final dividend of 1s. 6d. per share, less income-tax at 5s. 1.26d. in the £, payable on July 1, be approved, making with the interim dividend of 1s. 3d. per share paid in January last a total distribution for the year of 2s. 9d. per share." (Applause.)

Carried unanimously.

Bumper Wheat Crop Predicted

Chicago, July 1.

Private organizations today forecast that the wheat crop would be 979,000,000 bushels this year compared with the 874,000,000 bushels which were harvested last year.—United Press.

British Rubber Stocks

London, July 1.

The average market forecasts of this week's stocks of rubber in London and Liverpool, compared with last week's official figures, shows increases of 800 tons and 600 tons respectively.—Reuter.

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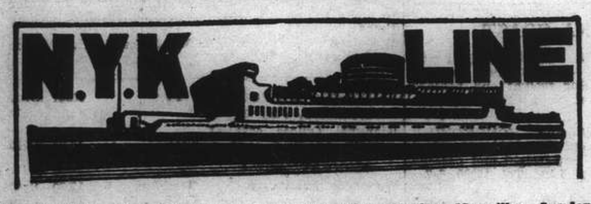

To Honolulu, San Francisco and Los Angeles, via Yokohama
From Kobe
CHICHIBU MARU ..... July 13
TATSUTA MARU ..... Aug. 9
TAIYO MARU ..... Aug. 15

To New York, Boston, Philadelphia via Los Angeles and Panama
From Kobe
NAGARA MARU ..... July 26

To Vancouver and Seattle
From Kobe
HIKAWA MARU ..... July 18

To Australian Ports via Manila
From Hongkong
KITANO MARU ..... July 23

To Aden, Naples, Marseilles, London, Antwerp and Rotterdam via Straits and Colombo (*Calls at Hamburg)
From Shanghai
HAKOZAKI MARU ..... July 12
SUWA MARU ..... July 26
*TERUKUNI MARU ..... Aug. 9
HAKUSAN MARU ..... Aug. 23

To Kobe, Yokohama
HAKUSAN MARU ..... July 19
HARUNA MARU ..... Aug. 3

To Nagasaki (Rapid Express Service)
NAGASAKI MARU ..... July 5
SHANGHAI MARU ..... July 8
NAGASAKI MARU ..... July 10
SHANGHAI MARU ..... July 13

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Class	Single	Return
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Sailings to EUROPE and UNITED KINGDOM Ports

B * †	AJAX	July 9	M'lles, London, R'dam, H'burg and Gl'gow
A †	HECTOR	July 24	Marseilles, London, R'dam and Glasgow
ø	ANTILOCHUS	July 18	Havre, Liverpool and Bromborough
B * †	MENESTHEUS	Aug. 7	M'lles, London, R'dam and Glasgow
A	AENEAS	Aug. 21	Marseilles, London, R'dam and Glasgow

* calls at Casablanca † via Aden ø via Saigon

A monthly service is also maintained from Hongkong and Japan to Pacific Coast

Vessels due and Sailings to Japan, North China, etc.

		From	Due	Sails	For
C	TEIRESIAS	Liverpool	July 5	July 7	Japan Ports
B	MENESTHEUS	Liverpool	July 8	July 9	Japan
C	PHEMIUS	New York	July 14	July 16	Hongkong
A	AENEAS	Liverpool	July 23	July 25	Taku Bar, Tsingtao, and Japan Ports.
C	LYCAON	Liverpool	July 30	Aug. 2	Japan Ports
C	TYNDAREUS	Pacific Coast	July 30	Aug. 3	Hongkong

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			Due S'hai
mv. DUISBURG	Arrived Hongkong	July 1	July 6
ss. HINDENBURG	Arrived Dairen	July 1	July 15
mv. SAUERLAND	Left Colombo	June 28	July 21
mv. RHEINLAND	Passed Suez	June 29	Aug. 2

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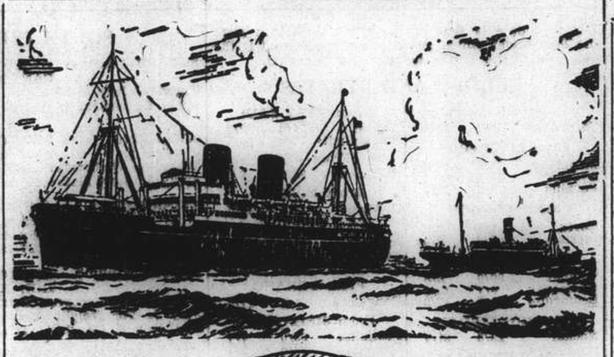

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	12† *SOMALI	7,000
	19 RANPURA	17,000
Aug.	2 RAWALPINDI	17,000
	9 *BANGALORE	6,100
	16 NALDERA	16,000
	30 †CORFU	15,000

	From Shanghai	Tonnage
Sept.	5*†BHUTAN	6,100
	13 †CHITRAL	15,000
	27 †CARTHAGE	15,000

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NELLORE	T. H. Scott-White	July 11	Aug. 5	Aug. 24
TANDA	E. Pilcher	Aug. 8	Sept. 2	Sept. 21

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SS. DAIREN MARU	July 9	July 10 at 11 a.m.
SS. TSINGTAO MARU	July 11	July 13 at 11 a.m.
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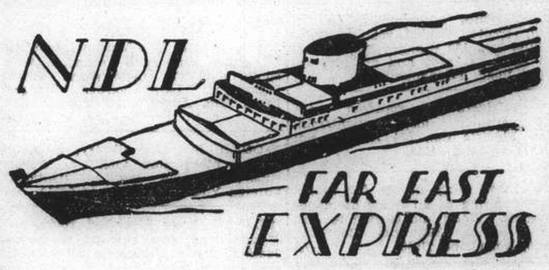

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Outwards:

			Due Shanghai
ss. DONAU	Left Singapore	June 29	July 8
ss. POTSDAM	Left Colombo	June 27	July 10
ss. NECKAR	Left Rotterdam	June 23	July 31
ss. GNEISENAU	Leaves Hamburg	July 9	Aug. 12

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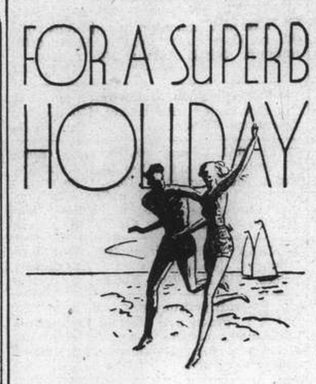

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LA PLATA MARU ..... Aug. 16
For Africa
MANILA MARU ..... Aug. 1
AFRICA MARU ..... Sept. 5
For Bombay
LONDON MARU ..... Aug. 19
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For Australia
*SYDNEY MARU ..... Aug. 1
For New Zealand
*BRISBANE MARU .... June 30
*MELBOURNE MARU .. Aug. 12
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WANTED college girl to do secretarial work during vacation. Applicant must state major study and minimum salary. Box 60, NCDN. -123

WANTED an experienced caterer for a mess of 20. Wages and coal provided. Reply giving lowest rates to Box 71, NCDN. 10084

WANTED by export firm, for outport, foreigner, preferably with experience in embroideries. First-class references essential. Address Box 70, NCDN. 10085

WANTED contact men, Chinese and foreign. Must have A1 connections with local wealthy community. Real estate and insurance agents preferred. Those not capable of earning $2,000 monthly need not apply. Box 65, NCDN. -132

EXPORT firm requires compradore for casings department. Address Box 63, NCDN. -130

WATCHMAKER. European expert wanted Shanghai. Address Box 78, NCDN. 10088

WANTED. Attractive Chinese ladies, with knowledge of English, for outdoor work, on commission basis. Very good prospects. Enquire at 131 Museum Road, Room 214, from 3-5 p.m. -158

REQUIRED immediately by American firm experienced secretary-stenographer with perfect knowledge English and French. Write full particulars. Box 42, NCDN. -93

Positions Wanted

Advertisements under this heading only are accepted at the rate of three dollar cents per word per insertion, with a minimum charge of $0.50.

A Chinese young man with good experience, as general office clerk or draughtsman. Address Box 61, NCDN. -126

YOUNG Russian girl, speaking English, badly in need of a job, willing to work in any capacity. Address Box 57, NCDN. -119

PUBLIC bookkeeper, competent and reliable, undertakes all work. Address Box 76, NCDN. -153

FOREIGNER, civil engineer, 12 years' experience in surveying, designing and constructing bridges, roads and buildings, excellent references. Open for immediate engagement or for temporary employment for designing, calculating or supervising. Address Box 64, NCDN. -131

ENGLISH lady stenographer with knowledge of coding and filing and other office routine, seeks position. Commencing salary $75. Address Box 72 NCDN. 10081

YOUNG man with complete English commercial education seeks for clerical or other kind of work. Good references. Address Box 81, NCDN. -161

BRITON, 30, ex Public Schoolboy, 10 years travelling experience in Central and North China. Speaks northern dialect fluently, good connections, seeks similar position. Please reply Box 20, NCDN. -46

EDUCATED European wants a position as manager of a household, steward, etc. 358 Rue Bourgeat, Room 6, Telephone 71653. 15566

YOUNG lady stenotypist, seeks position. Japan, or elsewhere no objection. Address Box 45, NCDN. -97

FOREIGN lady, speaking excellent Japanese, desires position as interpreter. Knowledge of office work. Address Box 36, NCDN. -87

YOUNG lady desires position in a shop, office work or a nurse. Address Box 25, NCDN. -55

Educational

FOREIGN girl gives Japanese lessons, in exchange for English or Italian. Box 55, NCDN. -90

ENGLISH and Russian lessons by qualified lady-teacher. Writing, conversation within short period. Please address Box 67, NCDN. -140

LADY would like few swimming lessons by competent teacher. State terms. Box 66, NCDN. -134

QUICK results, business conversation in Shanghai dialect, within two months. Taught by experienced Chinese teacher. Moderate fees. Box 62, NCDN. -127

LADIES, study how to make artificial flowers! An experienced lady-teacher will come to your house to teach you. Lessons given also at teacher's house. Orders taken and ready-made flowers. 226 Route Vallon, Telephone 73944. -19

CHINESE lady, Licentiate of Royal Academy of Music, London, give lessons in Piano. Special summer terms. Address Box 84 NCDN. -171

Personal

THREE artists wish to join life drawing studio, two or three evenings weekly. State terms. Box 58, NCDN. -120

DEAF foreigner, 28, wishes to meet deaf Chinese lady. Write Box 75, NCDN. -152

SOCIAL companionship offered to very sociable lady, about 40. Good, calm temper, as companion to serious gentleman. Modest conception of life, appearance physically agreeable, healthy, entirely free, speaking French fluently. Other languages appreciated, Russian, English, Italian. Box 4, NCDN. -8

ANY responsible party going to Europe, willing to take care of girl twelve years, to Marseilles, please communicate for arrangements to Box 3808, NCDN. Urgent. 15565

TWO respectable ladies, independent (40) wish to meet similarly placed gentlemen (not under 50) for friendship. Widowers with children appreciated. Only serious replies considered. Box 3766, NCDN. -8126

Business Opportunities

WANTED financier interested in stock and commodity investment, sound proposition. Excellent prospects. Address Box 49, NCDN. -104

WANTED Chinese/foreign business lady as active partner with capital $2,000, good prospect for right party. Address Box 3812, NCDN. -8217

Radios

RADIOS promptly repaired. Telephone 13750. Ask for Mr. Stewart. American Radio Equipment Company. Our method can save you 50%. 10049

For Sale—Miscellaneous

MAJESTIC refrigerator, 7½ cubic feet, like new, machine in excellent condition. Cost over $1,000. Sale $450. Bargain. 569/65 Avenue Roi Albert. -166

IMPORTED push cart, child's cot, and baby scales with basket, $50 the lot. Telephone 20234. 10080

FOR SALE, one refrigerator (Electrolux) 5 cu. ft. One Blaupunkt all-wave radio, electric fans, one ship's compass, one electric coffee machine, one dinner set, tea-sets, cutlery and glasses. Address Box 54, NCDN. -106

NEWLY arrived imported wire bird cages. Modern designs. At factory prices. 318 Hamilton House. -75

G. E. refrigerator, 10 cu. ft. in perfect order, also electric phonograph with many records for sale. Apply to Apartment 6-A, Brookside Apartments, Telephone 70550. -147

NEW unused Li-Lo air-bed (lounge pattern) for sale. Sacrifice $19. Telephone 22472 or apply Box 80, NCDN. -159

COMPLETE dining room suite 12 pieces, good condition, reasonable price. Also 2 G. E. electric desk fans. Telephone 77623. -116

TEAKWOOD dining room suite 13 pieces $110, also McCray patented USA Tile Ice Chest—$45. Apply 1599 Bubbling Well Road. -170

VENICE doylies 50 cents dozen, gentlemen's linen initialed handkerchief 55 cents, lace curtains $2.50 pair, lace gloves 40 cents. Many latest linen sold at wholesale prices. Lace & Linen Syndicate, 114 Peking Road (1st Floor). 10104

GRAND piano for sale, German make, perfect condition. 393 Rue Cardinal Mercier, Telephone 77875. -164

LADIES' bicycle, English make. 87 Verdun Terrace. -8197

SHIRTS, made to measure, cellular, $4.50; best quality poplin, $7.50; striped silk, $8. Razon's, Central Road. -23

RUSSIAN-English dictionaries. Newest Moscow edition. All Moscow newspapers. Fleet's Bookstore, 798 Avenue Joffre, Telephone 74739. -8030

MANUFACTURED at Hazelwood Park, Colonial margarine, 65 cents per pound. 15484

FOR SALE, sewing machine, vacuum cleaner and ceiling fan. During office hours 33658. -8253

NEW Frigidaire air conditioning, Duct installation, 4 cylinders. 7½ tons Freon water cool. Suitable for restaurant etc. of 6 rooms at 14 ft. x 24 ft. Reasonable offer. Refer to Box 3745, NCDN. 15515

FOR SALE, Westinghouse refrigerator, 4½ cubic feet with guarantee; two Simmons beds/mattresses, dining table/chairs; crockery. Address Box 38, NCDN. -89

GRAFLEX camera series B. Carlzeiss 4.5 lens 90% new. Sale $100. Stephen Co., 221 Foochow Road. -115

THREE cheers. I am leaving. Furniture of apartment going for best offers. Desk, Simmons bed, Beautyrest mattress, studio couch, wardrobes, electric toaster, percolator, vacuum cleaner, stainless cutlery, Old Stafford china, etc. Telephone mornings 74340. -65

PIANO as new, $350 or nearest offer, 72 Carter Road, Lane 41. -9

FILMO 70 E movie camera 16 mm. 2.7 lens with case, Leica close-up lens No. 2. See Mactavish, 125 Nanking Road. -8048

SHARKSKIN suitings. Just unpacked a limited lot of genuine American "Cohama" sharkskin suitings, for ladies and gentlemen, in silver grey, fawn, sun-tan and white. The latest and most ideal for summer wear. Telephone 70269, or call at Apartment 22, Washington Apartments, 305 Avenue Petain, for your requirements. -8236

Motor Cars and Cycles

WANTED car in good mechanical condition. Full particulars; make, year, cylinders, lowest price. Box 9, NCDN. -14

1934 Continental coach, 1934 Continental coupé. Fraser Motors, Ltd., Telephone 21949, 36 Great Western Road. 10108

$750 Nash sedan, just overhauled and painted. Perfect running order, new battery. Bargain. Box 3650, NCDN. -136

WANTED few used cars for outport. Spot cash. 1932-36 sedans preferred. Telephone tiffin 75661 or Box 82, NCDN. -162

FORD four-door sedan, 4-cylinders, economical, perfect throughout, owner driven, bargain, $650. Box 8, NCDN. -14

Office Cars

LIFT required, three times daily, Gascogne Apartment/Bund/corner Kiukiang Road. Please address Box 73, NCDN. -150

REQUIRE lift thrice daily, Rue Lafayette, corner Pottier to Jinkee/Yuen-Ming-Yuen Road. Summer hours. Telephone 76800 or address Box 16, NCDN. 10028

LIFT offered, Roi Albert/Bund, 7.45, 1.45 and 4.30. Address Box 41, NCDN. -92

Garages

GARAGE for rent Route Kaufmann, $10 per month. Telephone 76092. -4

Dancing

PROFESSOR Waldemar, famous teacher in ballroom, ballet, tap dances, gives private-class lessons. 1272 Avenue Joffre. -137

Animals

THOROUGHBRED Scotch collie pups for sale. Seven weeks old. Address Box 68, NCDN, Telephone 20573. -141

PEDIGREE Afghan puppies, 5 months old, for sale, registered China Kennel Club. Address Box 69, NCDN. 10086

SPRINGER spaniel puppies, three months old, for sale. Parents first-prize winners. Price reasonable. 153 Edinburgh Road. Telephone 22827. -39

BUYING a pup. Safeguard yourself and buy only China Kennel Club registered dogs. Insist on this. 10072

WILL any animal lover offer home to small cross-bred fox-terrier bitch? Very affectionate and good watch-dog. Box 52, NCDN. -110

Summer Resorts

TSINGTAO, Iltis Huk, Three-roomed, modern, furnished flat. First-floor, private entrance. All conveniences. Very reasonable. Photos available. Telephone tiffin time 80029. -112

BEL-AIR, French Hostelry, Iltis Huk, Tsingtao. Large airy rooms, verandah, facing south. Tasty French cooking. Mme E. Desroches, Proprietress. -142

TSINGTAO, Iltis-Huk, former "Bel-Air." Rooms with board in modern furnished house, with large roof-garden. Excellent cuisine. Reasonable prices. Apply Baranovsky 850 Avenue Joffre. -7618

MOGI Hotel, sea-side family hotel, near Nagasaki, Japan, 20 minutes from Nagasaki, beautiful mountains, picturesque view, invigorating sea, moderate terms. Make your reservations to Mr. M. Tanaka, Agent, Lane 332, House 54 Woosung Road, Telephone 46522. -7570

GOLDAO Hotel, Peitaiho, for accommodation. Apply Mrs. P. Behrendt. -15

TSINGTAO, Pension Victoria, 9 First Kinkow Road. Single and double rooms, flats. Beautiful sea view, excellent food. Special navy rates. Telephone 36105, from 12-2, Shanghai. 15466

TSINGTAO, Villa Dold. Situated amidst pines, overlooking sea, 1 minute to either Strand or German Beach, excellent cuisine, all modern conveniences. Mrs. B. Dold, Post Office Box 217, Tsingtao. -7261

Unfurnished Apartments

EXCEPTIONALLY attractive and cool five-room apartment in Brookside Apartments, 433 Avenue Haig to let. For particulars, apply to Elliott Hazzard, Agent, 33 Szechuen Road, Telephone 10117. -146

TO LET, unfurnished, four-roomed modern apartment, bathroom, kitchen, pantry and box-room, central part of French Concession, from July 15. Moderate rent includes hot and cold water, steamheating and taxes. Address Box 51, NCDN. -109

Wanted to Rent

WANTED house in French Concession. Willing to take over furniture and fittings. Full particulars to Box 56, NCDN. -118

WANTED unfurnished, seven or more roomed, modern house, preferably with garden, in French Concession or can exchange for three-roomed, King Albert Apartment. Telephone 75513, from 12-3 p.m. -85

Furnished Houses

FIVE-roomed, furnished, steamheated house, Bubbling Well. Furniture, crockery, cutlery, linen, for sale. Apply Rosen, Telephone 36105. -144

COLUMBIA Road, seven rooms, two bathrooms, completely furnished and screened, garden, garage, servants' quarters. For four months. Available August 1. Address Box 3831, NCDN. -8261

Lost

LOST Stamped Delivery Order, B/L No. 1/3, covering 652 drums and 4200 cases hardened fish oil ex s/s Aeneas. The public is hereby notified that same is declared null and void. 10040

LOST B/L No. 246, marked H in diamond, covering 19 packages of rush mats, ex ss. Ethel Moller, from Ningpo to Shanghai, and dated June 27, 1938, has been lost. A new B/L has been applied for from the shipping company concerned, and the lost B/L is hereby declared null and void. Hong Cheng Chang. -106

LOST Customs Jetty Pass No. 20 issued to Mr. V. Kuzminsky of the City Express Co., is hereby declared null and void. -61

Wanted to Purchase

VIOLIN. Early Italian preferred, must be in good state preservation. Reply stating particulars, price to Box 13, NCDN. 10025

WE buy second-hand refrigerators, any model. Telephone 34663. -7798

BASSOON. Must be in good condition. Reply giving maker's name, price to Box 14, NCDN. 10025

Miscellaneous

SPECIALISED, documentary, quick photographers, retail technical papers and plan-printers. Ajax Blue Print Co. Telephone 14226, Szechuen-Kiukiang Roads. -117

STAMPS exchange, dealers not wanted, Room 11, Kensington House, Seymour Road. -152

TYPEWRITERS, automobiles, bought, sold, repaired, rented, rebuilt. Bartlett Yung Co., 132 Kiangse Road, Telephone 11875. Garage End of Lane 749 Yu-Yuen Road, Telephone 20349. -83

G.E. refrigerators, repaired with guarantee, also bought/sold. Russian Electric Co., 334 Avenue Roi Albert, Telephone 74816. -7839

PIANO-tuner takes orders for tuning and repairing of all kinds of pianos and organs. Violin and singing lessons. Moderate price. 358 Rue Bourgeat, Room 6, Telephone 71653. 15566

Chinese Servants

AMERICAN leaving Shanghai, wishes secure position for his house-boy, employed by him 17 years. He is trustworthy, efficient, loyal; and splendid man for service with bachelor, or in small foreign family. Available August first. Address 1248/12 Rue Lafayette. -160

GOOD cook-boy, quiet, courteous, good cook, clean and honest servant, seeks position. Recommended. Box 3747, NCDN. -91

73148 CENTRAL Employment Agency (British). 2,000 satisfied international customers. Picked cook-boys, baby-amahs, cook-amahs, house-amahs, wash-amahs, chauffeurs, watchmen, stenographers. -5

COOK-boy and amah, honest, hard-working, speaking English, seek position, well-recommended by German family. Telephone 72842 from 9-10 a.m. and 8 p.m. -8251

COOK-boy, clean, honest, wash and iron, can go outport. Good references. Address Box 37, NCDN. -86

Rooms Without Board

TO LET, well-furnished south room. All conveniences. 341/6 King Albert Apartments. -154

TO LET, in apartment, large, modern, furnished room, from July 15. Rent $75. Telephone 38682, between 9 a.m.—3 p.m. -129

TO LET, in modern apartment, one big room, nicely furnished, bath, constant hot water, parquet floor. Also for sale Persian pure wool carpet, large size. View 1 p.m.—8 p.m. daily. Address 947D Avenue Joffre. -148

$60. South room, balcony, private bathroom, in private family, for quiet single man, from July 15. 885 Avenue Joffre, Telephone 72158. -155

TO LET, nicely furnished rooms with private bathrooms, small garden and garage. 600 Avenue Haig, house 1. -156

FURNISHED room, Bubbling Well/Seymour, studio apartment occupied part time only. Privacy. Piano, victrola, telephone, cool. Box 77, NCDN. 10089

TO LET, furnished large room, separate bathroom, all modern convenience. Also small room. 97 Route Vallon, St. Paul's Apartment 209. Telephone 72937. -124

FURNISHED large room, facing south, with bathroom, Bachelor preferred. With or without board. 213 Avenue du Roi Albert, Telephone 76462. -165

UNFURNISHED big room suitable for office, 1157 Bubbling Well, Garden Apartment 5. Telephone, modern conveniences. Apply within, also Telephone 34782. 10064

WELL-furnished south room. All modern conveniences. Bubbling Well Road, Majestic Apartment. Telephone 35202 from 9-3. 15498

1 or 2 rooms furnished or unfurnished, private bathroom. Telephone 84989. -99

AIRY rooms, monthly/weekly basis. Daily rates $3 for transient guests. Telephone 74982. 15341

IN Private family, large south room, private bathroom, verandah, 1809 Avenue Joffre, opposite I.S.S. -8246

COMFORTABLY furnished rooms for men. Club facilities. Navy Y.M.C.A. 10073

TO LET, large furnished room all modern conveniences, 1173 Bubbling Well Road, House 1/16. Telephone 33799. -8279

FURNISHED south room with verandah, also single room, in detached house. Telephone 71115. 15449

WELL-furnished bed-sitting or single room, all modern conveniences. 314 Hardoon Road, Lane 3, Apartment 12. -80

VIENNA House. Comfortable bed-sitting room, south verandah, large garden, private bathroom, terms moderate. Telephone 70853, 415 Cardinal Mercier. -63

$60. South room, private bathroom, use of kitchen, 46 Temple Lane, Entrance Yuyuen Road, Telephone 30467. -62

BEARN Apartment, French Concession. Large, furnished room, all conveniences, for single person or couple. Absolutely private. Use of kitchen. Telephone 81879, Entrance 2 Avenue Dubail, Apartment 34. -29

DESIRABLE large room attractively furnished, with bathroom, verandah. Breakfast and garage optional. Telephone 22664. -76

TO LET, one nicely furnished big bed-sitting room, private bath attached, telephone, in small private family. Preferably for gentleman, 475 Avenue Joffre, 86 Bearn Apartments. -52

Rooms with Board

PEKIN Apartments, 137/157 Peking Road. Comfortably furnished single rooms. Excellent food. Reasonable rates. Apply Mrs. Hartmans. Telephone 16010. -125

689-691 Rue Ratard (near Avenue Roi Albert). Large and small rooms facing south and garden, private bathroom. Spacious garden, tennis court and garage. Mrs. G. Martin, Telephone 74243. -8260

PRIVATE family offers bed-sitting room facing south, steamheated. Private bathroom, balcony. Good food. Lift. 112/6 Ferry Road. Telephone 37130. -8195

BEVERLEY House, 30 Route Boissezon, south rooms with verandahs, private bathrooms. Excellent food. English management, Telephone 70787. -7955

MIDWAY Lodge, 215/24 Medhurst Road. Comfortable double/single room available. Reasonable rates. Telephone 33278. -8097

THE Gardens, 90 Route des Soeurs. Well-appointed rooms, excellent cuisine, beautiful garden. Foreign owned and managed. Buses 2, 9, 15. -8139

HENLEY House, 1094 Avenue Road. Cool, comfortable, double/single rooms, private bath. Large garden, tennis, excellent food. Telephone 37133. -8259

RIVERINA, 31 Rue Massenet, one large double room with verandah, facing south, and one single room. Private bathrooms. Large garden. Moderate rates. Mrs. Anderson, Telephone 73015. -7966

ROOMS, including library, swimming and other club facilities. Foreign supervised food service. (Optional.) Foreign Y.M.C.A. Telephone 92250. 10016

TO LET, large furnished room, with verandah, also a small room near Jessfield Park. Telephone 22134. -8273

FLAT of two rooms, verandah, private bath-room, garden, garage. Mrs. Eriksen, 335 Rue Bourgeat. -8286

Offices, Shops, Godowns

SHOP (small) to let, in centre Avenue Joffre. No. 716. -168

GODOWN space wanted. Approximately 8,000 square feet. Settlement south of Soochow Creek or French Concession. Telephone to 16345 Export. -44

DESIRABLE offices to let, National City Bank Building, Kiukiang Road. Apply Eric Davies, Room 214, 18 The Bund. 10071

CONCRETE building suitable store-room/factory, adjoining big house, garden, at 103 Ford Lane, Yangtszepoo. Cheap rental. Apply Savul Company, Telephone 17735. -8186

TO LET, large and small modern office space in the Chartered Bank Building. 18 The Bund. Space arranged to suit tenants' requirements. Apply Eric Davies, Room 214, Chartered Bank Building. Telephone 15874. 10014

Vessels Arriving

The first date is that of the ship's departure from the Port under which she appears; the second is the date she is due to arrive in Shanghai.

EUROPE AND STRAITS

From GLASGOW		
Sarpedon	2/7	16/8
From LIVERPOOL		
Menelaus	4/6	15/7
Lycaon	18/6	30/7
Perseus	2/7	12/8
From LONDON		
Corfu	1/7	7/8
Bhutan	25/6	8/8
From HAMBURG		
Talabot	30/6	8/8
Gneisenau	9/7	12/8
Laomedon	2/7	17/8
From ROTTERDAM		
Neckar	23/6	31/7
From MARSEILLES		
J. Laborde	11/6	12/7
F. Roussel	24/6	22/7
From GENOA		
Siam	25/6	4/8
From TRIESTE		
Himalaya	26/6	15/8
From PORT SAID		
Aeneas	24/6	23/7
Rawalpindi	30/6	24/7
From SUEZ		
Rheinland	29/6	2/8
From BOMBAY		
C. Verde	28/6	10/7
From COLOMBO		
Potsdam	27/6	10/7
Taronga	29/6	12/7
Sauerland	28/6	21/7
From PENANG		
Bangalore	1/7	11/7
From SINGAPORE		
Fusijama	25/6	7/7
Donau	29/6	8/7
Ranpura	2/7	10/7
From KARACHI		
Fusijama	11/6	7/7
From MACASSAR		
Tjinegara	20/6	4/7
From MANILA		
Menestheus	3/7	9/7

AMERICA AND JAPAN

From NEW YORK		
C. Singapore	17/5	11/7
Hopecastle	25/5	15/7
Taybank	6/6	27/7
Silveryew	23/6	8/8
C. Evansville	17/6	13/8
From HAMPTON ROADS		
Muncaster C.	16/6	28/7
From SEATTLE		
Tyndareus	27/6	30/7
From SAVANNAH		
Clytoneus	2/7	16/8
From LOS ANGELES		
Phemius	15/6	14/7
From YOKOHAMA		
Ajax	1/7	3/7
From KOBE		
Ranchi	1/7	3/7
From SHIMIDZU		
Somali	1/7	11/7

AFRICA AND AUSTRALIA

From DURBAN		
Ruys	14/7	25/8
From TAMATAVE		
Tegelberg	29/6	24/7
From RABAUL		
Nellore	26/6	10/7
From MELBOURNE		
Tanda	2/7	7/8

CHINA PORTS

From DAIREN		
Tsingtao M.	1/7	4/7
Hoten M.	3/7	6/7
Hindenburg	2/7	15/7
From TIENTSIN		
Kwaisang	—	3/7
Yatshing	—	4/7
Chekiang	2/7	5/7
Leesang	—	5/7
Fausang	—	8/7
Chaksang	—	10/7
From TONGKU		
Shengking	3/7	6/7
From TSINGTAO		
Autolycus	28/6	4/7
From SWATOW		
Tsinan	30/6	3/7
From HONGKONG		
Taiseunhong	—	4/7
Teiresias	1/7	4/7
Kaying	1/7	5/7
Duisburg	3/7	6/7
Kwangtung	3/7	7/7
Tingsang	—	9/7
Kingyuan	5/7	9/7

Vessels Leaving

NORTH CHINA COAST

JOHAN. JUSTESEN July 3. CHINWANGTAO DIRECT.—The Kailan Mining Administration will despatch the steamer Johanne Justesen, Captain Heisterberg, on Sunday, July 3, 1938. For freight or passage, apply to the Agent, 30 Foochow Road. Tel. 11070. 3-7

SHUNTIEN July 3. TSINGTAO, WEIHAIWEI, CHEFOO and TIENTSIN.—From French Bund on Sunday, July 3, at 10 a.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 3-7

KAIPING July 5. CHINWANGTAO DIRECT.—The Kailan Mining Administration will despatch the steamer Kaiping, Captain J. B. Struth on July 5, 1938. For freight or passage, apply to the Agent, 30 Foochow Road. Tel. 11070. 5-7

SHANTUNG July 5. CHEFOO and TIENTSIN.—From French Bund on Tuesday, July 5, at 5 p.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 5-7

TAISEUNHONG July 5. CHEFOO and TIENTSIN.—Sails from Roosevelt Terminal Wharf on Tuesday, July 5, at 8 a.m. For freight and passage apply Jardine, Matheson & Co., Ltd. Tel. 15290. 4-7

YATSHING July 6. CHEFOO and TIENTSIN.—Sails from Roosevelt Terminal Wharf on Wednesday, July 6. For freight and passage apply Jardine, Matheson & Co., Ltd. Tel. 15290. 6-7

SHENGKING July 7. TSINGTAO, WEIHAIWEI, CHEFOO and TIENTSIN. — From French Bund on Thursday, July 7, at 10 a.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 7-7

FAUSANG July 9. CHEFOO and TIENTSIN.—Sails from Roosevelt Terminal Wharf on Saturday, July 9. For freight and passage apply Jardine, Matheson & Co., Ltd. Tel. 15290. 9-7

Vessels Leaving

SOUTH CHINA COAST

SOOCHOW July 5. SWATOW, HONGKONG and CANTON.—From French Bund on Tuesday, July 5, at 4 p.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 5-7

KWAISANG July 6. SWATOW and HONGKONG.—Sails from Roosevelt Terminal Wharf on Wednesday, July 6. For freight and passage apply Jardine, Matheson & Co., Ltd. Tel. 15290. 6-7

TSINAN July 6. AMOY and HONGKONG.—From French Bund on Wednesday, July 6, at 6 a.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 5-7

LEESANG July 7. SWATOW, HONGKONG, PAKHOI, HOIHOW and HAIPHONG.—Sails from Roosevelt Terminal Wharf on Thursday, July 7. For freight and passage apply Jardine, Matheson & Co., Ltd. Tel. 15290. 7-7

TJINEGARA July 7. AMOY, HONGKONG, MANILA, CEBU, MACASSAR, BALI, SOERABAIA and JAVA N.C.—The J.C.J.L. ms. Tjinegara sails from Holt's Wharf, Pootung on Thursday, July 7, at 11 a.m., taking cargo to Java and transhipment in Java. Excellent passenger accommodation. Passengers tender leaves Customs Jetty at 9.30 a.m. Through tickets issued to European, Australian and African Ports. For particulars apply to the Java-China-Japan Lijn Agentschap Shanghai N.V., Brunner Mond Building, 133 Szechuen Road. Tel. Nos. 16247 (4 Lines). 7-7

KAYING July 8. SWATOW, HONGKONG and CANTON.—from French Bund on Friday, July 8, at 9 a.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 8-7

KWANGTUNG July 10. SWATOW, HONGKONG, HOIHOW, PAKHOI and HAIPHONG—From French Bund on Sunday, July 10, at 10 a.m. For freight and passage apply Butterfield & Swire, Tel. 82020 (French Bund). 10-7

STRAITS AND EUROPE

ATHOS II July 5. MARSEILLES via HONGKONG SAIGON, SINGAPORE, COLOMBO, DJIBOUTI, SUEZ and PORT SAID.—Messageries Maritimes, 9 Avenue Edward VII. Tel. 82034. 5-7

RANCHI July 5. MARSEILLES, GIBRALTAR and LONDON via HONGKONG, SINGAPORE, PENANG, COLOMBO, BOMBAY, ADEN, PORT SAID and MALTA.—Last tender will leave the Customs Jetty at 1.30 p.m. on Tuesday, July 5, 1938. Mackinnon, Mackenzie & Co., Agents, P. & O. S. N. Co., No. 27 The Bund. Tel. No. 11428. 5-7

AUTOLYCUS July 6. CASABLANCA, LONDON, ROTTERDAM, HAMBURG and MIDDLESBROUGH via HONGKONG and STRAITS.—Jardine, Matheson & Co., Ltd. Tel. 15290. 6-7

MEERKERK July 6. (Loading on July 5.) PORT SAID, GENOA, ANTWERP, ROTTERDAM, AMSTERDAM, HAMBURG and BREMEN.—The Holland East Asia Line ss. Meerkerk sails from Lower Buoys No. 12-13 on July 6. For passage and freight apply to the Java-China-Japan Lijn Agentschap Shanghai N.V., General Agents, Brunner Mond Building, 133 Szechuen Road. Tel. Nos. 16247 (4 Lines). 5-7

COBURG July 7. PORT SUDAN, CASABLANCA, ROTTERDAM, HAMBURG, BREMEN via HONGKONG, SAIGON, KOHSICHANG, SINGAPORE, BELAWAN, COLOMBO and PORT SAID.—For freight and passage apply to Melchers & Co., general agents, N.D.L., 210-214 Kiukiang Road Tel. 15566. 7-7

CITY OF DERBY July 8. HAVRE, LONDON, ROTTERDAM, HAMBURG and GLASGOW.—The Ellerman Line steamer City of Derby sails for the above-mentioned ports at daylight, on July 8, 1938. Lacey & Cannan, Ltd. Tel. 12854 (3 lines). 8-7

AJAX July 9. MARSEILLES, CASABLANCA, LONDON, ROTTERDAM, HAMBURG and GLASGOW via ADEN.—For freight and passage apply Agents, Butterfield & Swire, 21 French Bund. Tel. 82020. 9-7

CONTE VERDE July 12. VENICE and TRIESTE via HONGKONG, SINGAPORE, COLOMBO, BOMBAY, PORT SAID and BRINDISI.—The Lloyd Triestino ss. Conte Verde will sail from Shanghai on July 12, at 5 p.m. sharp. For Freight and Passage apply Lloyd Triestino, 26, The Bund. Tel. 16885. 12-7

SOMALI July 12. MARSEILLES, CASABLANCA, HAVRE, LONDON, HULL, HAMBURG, ROTTERDAM and ANTWERP via HONGKONG, SINGAPORE, PENANG, COLOMBO, ADEN, SUEZ and PORT SAID.—Mackinnon, Mackenzie & Co., Agents, P. & O. S. N. Co. No. 27 The Bund. Tel. No. 11428. 12-7

POTSDAM July 22. GENOA, SOUTHAMPTON, ROTTERDAM, BREMEN and HAMBURG via HONGKONG, MANILA, SINGAPORE PENANG, BELAWAN, COLOMBO and PORT SAID.—For freight and passage apply to Melchers & Co., general agents, N.D.L., 210-214 Kiukiang Road. Tel. 15566. 22-7

AUSTRALASIA

TAIPING July 15. (From Hongkong) MANILA, THURSDAY I., CAIRNS TOWNSVILLE, BRISBANE, SYDNEY and MELBOURNE.—Australian-Oriental Line Ltd., Agents, Messrs. Butterfield & Swire, 21 French Bund. Tel. 82020. 15-6

Post Office Notices

Earlier posting at Sub-Offices is requested in order to make connection with the below-mentioned closing times.
(Last connecting time from Sub-Offices to Head Office is 19.05 daily).

Date and Destination	*Per*		*Reg.*	*Ord.*
SUNDAY, July 3.				
Kiangpei Offices east of Haian	Tejo		16.00	16.00
MONDAY, July 4.				
Wenchow	Tembien		12.30	13.00
Haimen Che.	Santarem		12.30	13.00
U.S.S.R. Europe via Siberia	Kaiping		13.30	15.00
Chinwangtao	Kaiping		14.30	15.00
Kiangpei Offices east of Haian	Liwo		16.30	17.00
Chefoo and Tientsin	Taiseunhong	x	18.30	19.00
Foochow	Shinhwa	x	18.30	19.00
TUESDAY, July 5.				
Japan Korea via Nagasaki	Nagasaki M.		*19.00	7.15
Aust. N.Z. S.S. (Y) India Suez Europe	Athos II	A	*19.00	7.15
Hongkong and Canton	Athos II		*19.00	7.15
Tsingtao and Dairen	Tsingtao M.		8.00	8.30
Aust. N.Z. S.S. Ceylon India Suez Europe	Ranchi	B	10.00	12.00
Hongkong and Canton	Ranchi		11.30	12.00
Swatow Hongkong Canton	Soochow		13.00	13.30
Chefoo and Tientsin	Shantung		14.00	14.30
Hongkong Canton Aust. N.Z. and Manila	Meerkerk	CX	14.30	15.00
Kiangpei Offices east of Haian	Tejo		16.30	17.00
Amoy and Hongkong	Tsinan		18.30	19.00
Tsingtao and Tientsin	Chekiang	x	18.30	19.00

* The night before.
A Parcel mail for France and other countries, closes at 16.00 on 4th.
B Parcel mail for S.S., Gt. Britain and other countries, closes at 16.00 on 4th.
C Parcel mail for Holland, closes at 12.00 on 5th.
X Provisional time—subject to alterations.
Y Superscribed correspondence.

Ocean Mails for Europe and America.

Via Siberia by steamer to Tientsin or Chinwangtao for transmission.

Next steamer mails will be closed as follows:
ss. Athos II, via Suez, July 5, due London August 4.
ss. Ranchi, via Suez, July 5, due London August 6.
ss. Empress of Russia, via Pacific, July 10, due London August 6.

Air Mails

Imperial Airways Service (Hongkong-Bangkok-London and Hongkong-Bangkok-Singapore-Australia) per ss. Athos II, at 7.15 a.m. on July 5, due Marseilles and London on July 14.

Pan American Airways Service (Hongkong-San Francisco) per ss. Tjinegara, at 7.15 a.m. on July 7, and due San Francisco on July 20.

Neth. (K.L.M.) Air Mail Service (Bandoeng-Amsterdam) per ss. Ranchi, at 12.00 on July 5, and due Amsterdam on July 19, and London on July 20.

Air France (Saigon-Marseilles Line) per s.s. Athos II, at 7.15 on July 5, and due Paris and London on July 22.

Air France (China-Hanoi-Marseilles Lines) per available str. to H'kong for transmission via Canton.

Shanghai-Japan Air Mail Service: Air mails will close every Wednesday, Friday and Sunday, at 7.15 for ordinary and the previous day at 19.00 for registered.

Via C.N.A.C. or Eurasia planes sent to Hongkong for further transmission.

Train Mail

Light mails for Wuhu, Nanking, Chinkiang, Wutsin, Tanyang, Wusih and Wuhsien close daily, at 8.30 p.m.

Light mails for or via River Ports from Anking upwards per available steamer via Canton.

Vessels Discharging

TERUKUNI MARU. The N.Y.K. m.v. Terunkuni Maru, from London via Ports arrived on July 1, and is discharging her cargo at the N.Y.K Wayside Wharf. Consignees are requested to send in their Bills of Lading for countersignature and take immediate delivery of their cargo. Damaged cargo will be examined at the wharf on Tuesday, July 5, at 9 a.m. by Marine Surveyors, Messrs. Paulsen & Bayes-Davy. Claims must be presented within 14 days of the vessel's arrival. No insurance effected. Should cargo not be imported within 15 days of arrival of the vessel compulsory Custom's Examination will be held before the goods can be placed in Bond. This Company accepts no responsibility whatsoever for any damage sustained as a result of the Examination. Nippon Yusen Kaisha, Shanghai Branch. 3-7

MALAYAN PRINCE. The m.v. Malayan Prince, from New York and Ports.—This vessel is now discharging all her cargo (except Opium and Munitions of War), at the Shanghai and Hongkew Wharf Co.'s Old Ningpo Wharf, Hongkew. Consignees are requested to send in their Bills of Lading for countersignature, and take immediate delivery of their cargo. (Consignees of "Bulk Cargo, will further be required to send their representatives to the Wharf to verify the weights of such cargo whilst it is being landed). All claims against this vessel must be sent in within fourteen days from date of vessel's arrival, or they will not be recognized. All risk of Fire at the Wharf and Godowns to be borne by the Consignees of cargo. Examination of broken and ship-damaged cargo will be held at the Old Ningpo Wharf on July 6, at 9 a.m., when Messrs. Paulsen & Bayes-Davy will be in attendance. Jardine Matheson & Co., Ltd., Agents. 4-7

Furnished Apartments

HUBERTUS Court. Furnished, cool, four-roomed apartment, 2 baths, frigidaire, garage, screened. Available July 24 for 5-6 months. Telephone 20126. -167

FULLY-furnished two rooms, kitchen, refrigerator, in apartment, below cost. Telephone 72030. -135

$500 will buy six months lease and furniture of 3-room apartment, French Concession, 22 bus line, rent $100. Telephone 70437. -149

CENTRAL district—Rental $95 per month, including refrigerator, water and taxes. One large, one small room, bathroom and kitchen. Furniture and fittings, including some plate and linen $300. Telephone K. W. Johnstone or write Box 79, NCDN. 10090

FOREIGN bachelor to share small furnished flat for summer months. 159/12 Seymour Road, Telephone 31217. -8254

FURNITURE of two-roomed apartment for sale. 620 Embankment Building, Saturday, Sunday, 2 to 5 p.m. -78

TO LET, two-roomed apartment, French Concession. Furniture, including piano and refrigerator for sale. Owner leaving. Box 50, NCDN. -105

FULLY-furnished 3-roomed apartment for sale, including refrigerator, Bubbling Well district. For appointment telephone 36110. -8226

Unfurnished Houses

LARGE residence with garden, French Concession for immediate occupation. Credit Foncier d'Extreme Orient. Telephone 16365-6. 10083

847 Connaugh Road. A small house with nice garden, two bathrooms. Reasonable rental. Immediate occupation. -6

HUNGJAO Road, near Warren Road. Modern bungalow of five rooms, two bathrooms, with all conveniences, separate kitchen, ample servants' quarters, garage, two acres of beautiful garden, tennis court, and orchard. Address Box 3659, NCDN. 15557

FOR RENT, by owner, ten-roomed house, large garden, servants' quarters, garage. Ten minutes from St. George's. Box 3771, NCDN. -8149

TO LET 147-B Tunsin Road, modern detached residence on two mow of land, 10 rooms, 3 bathrooms, verandah, servants quarters, garage, central heating. Fittings and fixtures to be taken over at a nominal figure. Apply Atkinson & Dallas, Ltd. 10057

FO-SHU Gardens, off Tunsin Road, to let very attractive residence, containing 3 living rooms, 4 bedrooms, 3 bathrooms, arcola heating, garage, garden. Rent $195. Apply. The Cathay Land Co., Ltd., Telephone 11430. 10052

Beauty Culture, etc.

Advertisements under this heading are carefully scrutinized before acceptance, and though no guarantee can be given readers may be reasonably assured of their bona fides.

LADY gives manicure, from 10 a.m. Telephone 32814. -8016

LADY gives general massage, 3-8 p.m. 147 Rue Paul Henry, Apartment 14. Third Floor, Telephone 77327. -7913

LADY gives general massage, manicure, 10-7 p.m. 205 Peking Road. Apartment 30, Second Floor. 10017

1205 Bubbling Well Road, Apartment 15. Massage. -8153

Other Classified Advertisements will be found on the Front Page

"Deficiency of information in Japanese English-language newspapers is completed very successfully by an English newspaper in Kobe **The Japan Chronicle** . . on its pages can often be found criticisms of the political and economic actions of the Japanese Government and various other information which gives the opportunity to observe and to analyse the Japanese economic situation. In addition to the usual material obtainable from all the Japanese English-language newspapers. **The Japan Chronicle** gives a very detailed and comprehensive review of the foreign trade of Japan. It regularly prints statistics pertaining to Japanese exports and the state of the home market."—*Extracts from U.S.S.R. Chamber of Commerce Journal.*

"The Japan Chronicle"
DAILY AND WEEKLY
Head Office: 65 Naniwa Machi, Kobe

SMALL ADVERTISEMENTS
Strictly Prepaid

One insertion	per word	6 cts.
Three insertions	„ „	5 cts.
Seven or more	„ „	4 cts.
Positions wanted, any number of insertions	„	3 cts.
Front Page	„	12 cts.

Minimum of 16 words

Replies to Box Numbers should be addressed care of "North-China Daily News." 17 The Bund (or P.O. Box 707), Shanghai, unless otherwise stated.

In applying for positions copies of references and not originals should be sent.

Weather, Time and Tide

Sunday, July 3, 1938 6th day of 6th moon	SICCAWEI July 1 16-00	21.00	July 2 4.00	9.00	GUTZLAFF 9.00	14.00
Barometer inches	29.73	29.78	29.78	29.79	—	—
at 32 F. (variation for 24 hrs.)	+0.10	+0.10	+0.06	+0.06	—	—
at 32 F. („ „ 12 hrs.)	+0.01	+0.05	+0.05	+0.01	—	—
Wind (direction)	ENE	ENE	NE	ENE	—	—
„ (miles per hour)	14.3	8.7	5.6	13.1	—	—
Temperature (Fuhr.)	74.°1	68.°7	69.°6	72.°7	—	—
Humidity %	84	97	98	84	—	—
Nebulosity (0 to 10)	8	0	7	9	—	—
Rainfall inches	—	—	—	—	—	—

Siccawei Abridged Report July 1	Mean 1938	24 hours variation	Previous average same period (65 years)
Barometer (mean 4 obs.)	29.66	+0.01	29.72
Temp. Min. 65.°8 Max. 77.°5	71.°7	+1.°1	77.°2
Total rainfall January 1 to midnight before last (inches)	35.43	0.05	22.42

Date	3/7	4/7	5/7	6/7	7/7	8/7	9/7	10/7	11/7
Sun rises at Shanghai	4.52	4.52	4.54	4.54	4.54	4.54	4.54	4.57	4.57
Sun sets at Shanghai	7.03	7.03	7.03	7.03	7.03	7.03	7.03	7.01	7.01
Moon rises at Shanghai	11.01	12.01	12.59	13.56	14.51	15.45	16.35	17.24	18.08
Moon sets at Shanghai	23.03	23.39	—	0.15	0.45	1.35	2.20	3.07	3.57
Flood makes Shai. 6 to 18.00	14.05	15.42	16.26	17.25	6.12	7.28	8.32	9.20	9.52
Ebb makes Shai. 6 to 18.00	6.59	7.42	8.26	9.15	10.10	11.25	12.40	13.32	14.20
H.W. W'sung Bar 6 to 18.00	15.51	16.42	5.43	6.39	7.53	8.55	10.11	10.56	11.32
Height above LLW. (feet)	11.15	10.60	8.66	8.62	7.65	7.45	7.20	7.40	—

Yesterday's Arrivals

Name	*From*	*Consignees*
Kaiping	Chinwangtao	K M A
Bremerhaven	Hongkong	Melchers
Jenny Moller	Chinwangtao	K M A
Haraldsvang	—	—
Malayan Prince	Japan	Jardine
Marie Moller	Tungchow	Moller
Liwo	—	Jardine
Shanghai M.	Japan	N Y K
Tseangtah	Tungchow	M T S S
Tungwo	Changyinsha	Jardine
Venezia	—	—
Whangpu	—	B & S
Faro	—	Chin Teh
Haikong	Hsinkong	G M C
Trapani	—	—

Vessels in Harbour

Name	*Flag*	*Berthed*
Fuhwo	Br.	YD
Niel Maersk	Dan.	SHWHW
Foylebank	Br.	SHWHW
J. Justesen	Br.	—
Shantung	Br.	FBW
Anna Maersk	Dan.	SHWHW
Shuntien	Br.	FBW
Dairen M.	Jap.	DKKW
Chuting	Br.	FBW
Malayan Pr.	Br.	ONW
Kaiping	Br.	—
Bremerhaven	Ger.	—
Jenny Moller	Br.	—
Liwo	Br.	RTW
Shanghai M.	Jap.	NYKWW
Tungwo	Br.	GJ
Whangpu	Br.	FBW

Spring-Cleaning Contractors

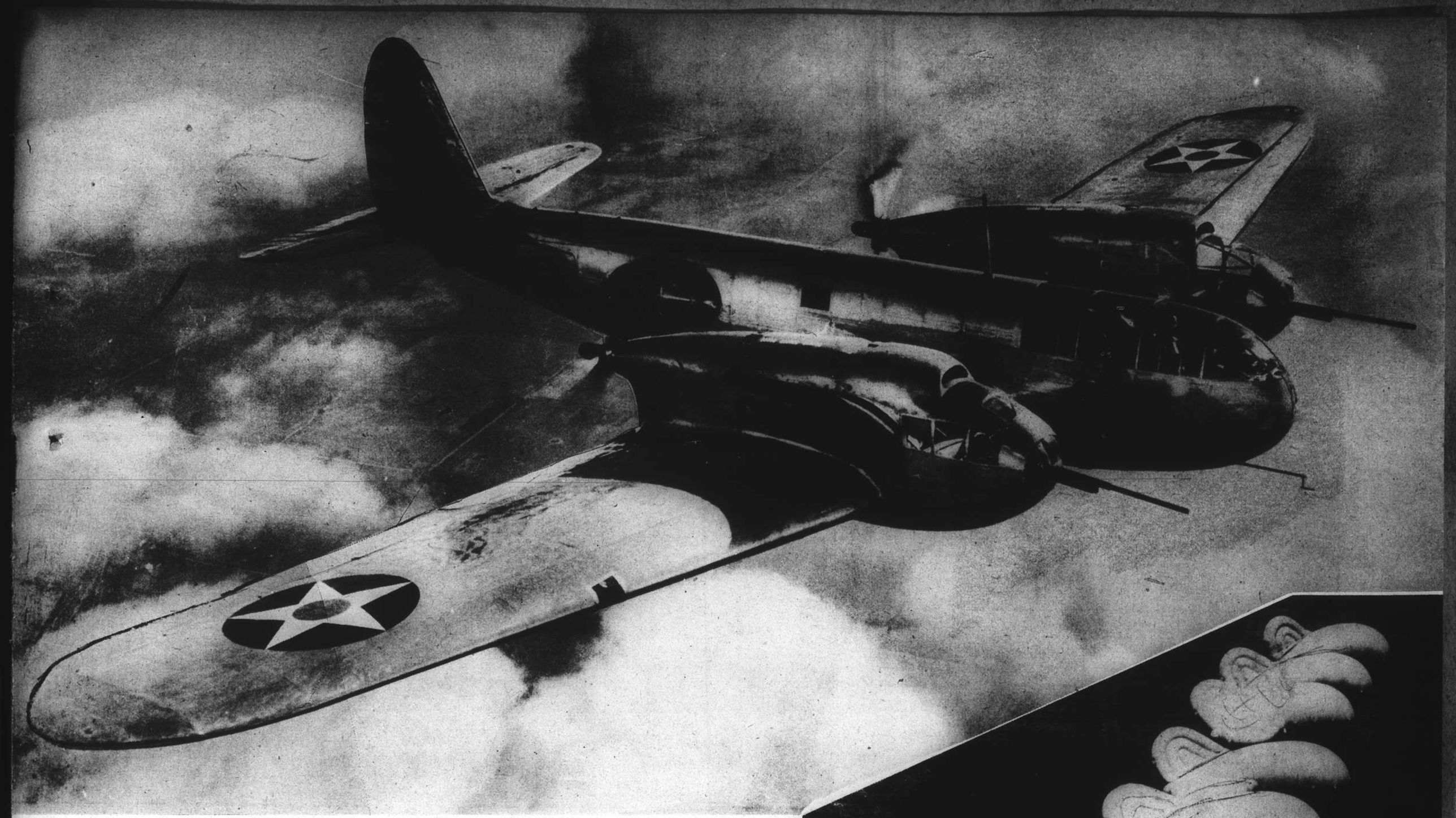
G. H. PARKES & CO.
TELEPHONE 72245

Yesterday's Departures

Name	*Flag*	*Despatcher*
Peiping	Swe.	Ekman F A
Pacific	Dan.	G-N Tel.
Hansi	Ger.	F E S S
Kiangsu	Br.	B & S
Norse Carrier	—	—
Victoria	Ger.	L Y S S
Suiwo	Br.	Jardine
Kiangnan	Ger.	Chan Fong
Minnie Moller	Br.	Moller
Chialing M.	Jap.	N K K
Sandro Sandri	Ital.	C F S S
Diana Moller	Br.	Moller
Fooshing	Br.	Jardine
Hsin Kiangnan	Ger.	Chan Fong
Romolo	Ital.	C F S S
C'stine Moller	Br.	Moller
Wantung	Br.	B & S
Lipari	Ital.	C-I S S
Hoperest	—	—
Tejo	Port.	I T R N
Don Joao	Port.	C F S S
Sandviken	Nor.	Jardine
Santa Rosa	Ital.	Yat Shing
Wusueh	Br.	B & S
Isabel Gbt.	Am.	—
Dahlay	Am.	T H S S
Santa Lucia	Ital.	L Y S S
Terukuni M.	Jap.	N Y K
Canton M.	Jap.	O S K
M. Margarida	Port.	Maria S N
Hunan	Br.	B & S
Hsin Peking	Br.	B & S

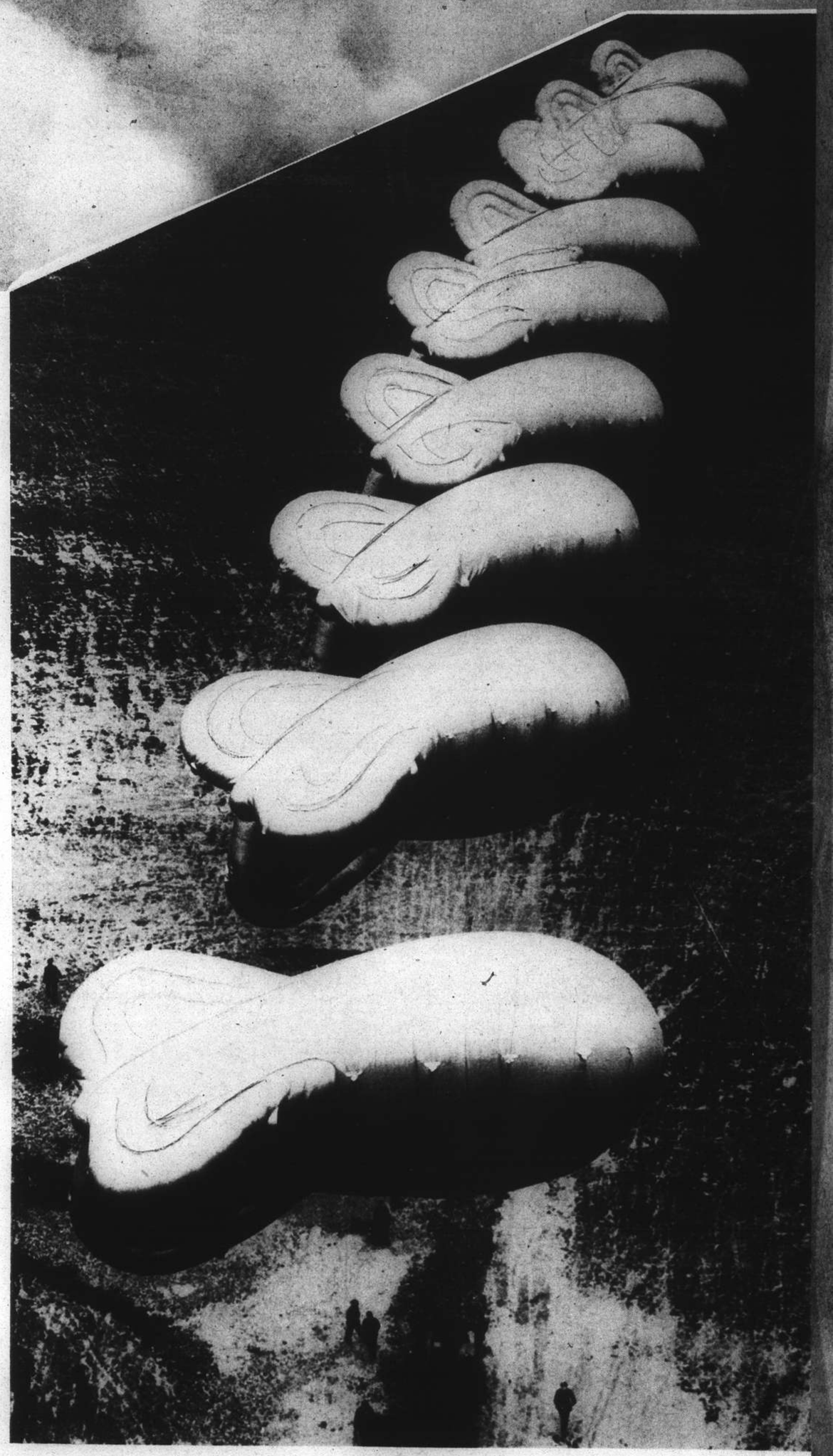
Men-in-War in Port

Name	*Flag*	*Type*	*Berthed*
Lowestoft	Br.	Gbt.	B.N.B.
Augusta	Am.	Cr.	—
Asheville	Am.	Gbt.	—
Marblehead	Am.	Cr.	—
Oahu	Am.	Gbt.	—
D. de Legree	Fr.	Gbt.	F.N.B.
D. Durville	Fr.	Gbt.	F.N.B.
L. Picquet	Fr.	Cr.	F.N.B.
Sav. de Brazza	Fr.	Slp.	F.N.B.
Montecuco	Ital.	Cr.	O.F.B.
Aso M.	Jap.	Hosp.	D.K.K.W.W.
Asahi	Jap.	Gbt.	7/8 B.
Hatsukari	Jap.	Dest.	1/2 B.
Mansan M.	Jap.	Cr.	C.M.C.W.
Shinyui M.	Jap.	Tr.	O.S.K.Y.W.
Taito M.	Jap.	Tr.	N.Y.K.P.W.
Tomiot M.	Jap.	Tr.	O.S.K.Y.W.
Destroyer 21	Jap.	Dest.	1/2 B.



PURSUIT

The "Airacuda," the latest type of pursuit plane, thirteen of which have been added to the United States Air Force. These planes are capable of a speed of 400 miles per hour, a 30,000 foot ceiling, and will carry six guns each, including two aircraft cannon. The planes, which will be manned by a crew of five, are equipped with two pusher-type engines, with the propellers behind the wings.



DEFENCE

A new scheme for the defence of London against air attacks is the use of balloons attached to steel cables which will form a screen round the city.

NORTH-CHINA DAILY NEWS
Magazine Supplement

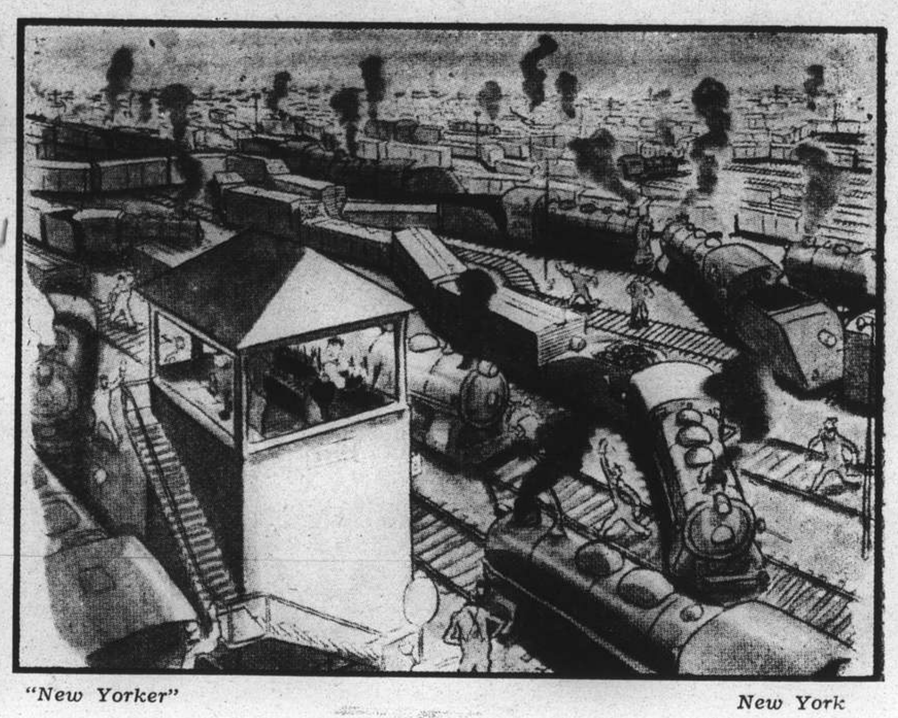
Vol. IX, No. 27

Shanghai, July 3, 1938

The World's Wit and Humour

"Evening Standard" *London*

PUTTING THE WIND UP



"New Yorker" *New York*

"Do you ever have days when everything seems to go wrong?"

"Lynchburg News" *Lynchburg*

THE HISTORY OF A RADICAL IDEA

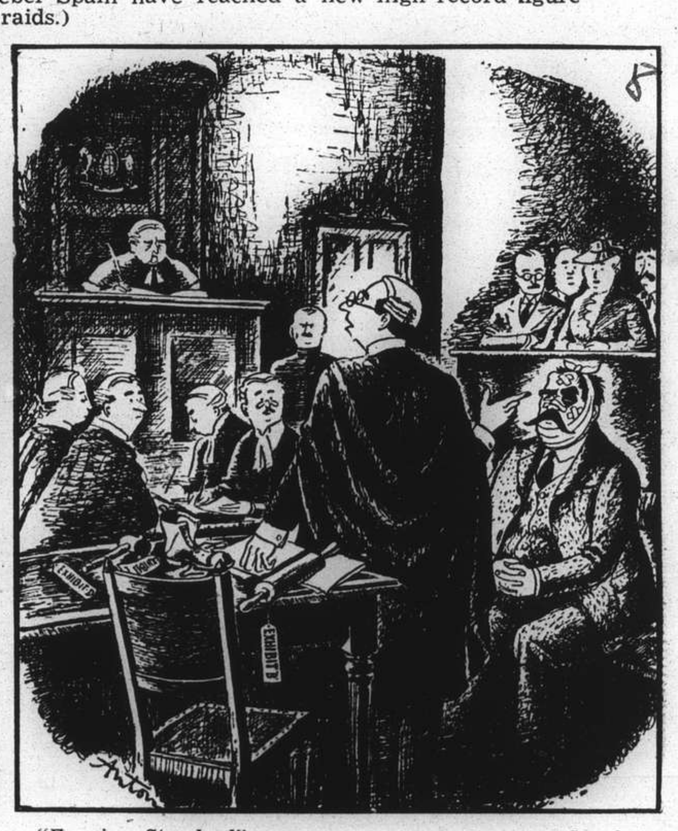
"Daily Herald" *London*

WHERE EAST MEETS WEST

(Civilian victims of the bombers of Japan and Rebel Spain have reached a new high record figure in air raids.)

"New Yorker" *New York*

"For one night I'm not going to worry about Vienna or China or anything. I'm just going to have a good time."



"Evening Standard" *London*

"For the purposes of this case, m'lud, I propose to call my client's face Exhibit 'A.'"

"Tribuna d'Italia" *Rome*

STALIN: "Just another step backwards and you will be in focus."

"Judge" *New York*

"And on our honeymoon we'll go to America and see all the factories!"

"Tribuna d'Italia" *Rome*

"They say this will be an asylum for the mad and feeble-minded."

"Then nothing will be changed!"

News from Abroad

(*Left*) Sir Hugo Cunliffe-Owen's "Rockfel," a 3-1 favourite, ridden by Harry Wragg, winning the Oaks from "Radiant" and "Solar Flower" at Epsom on June 3. (*Above*) The King and Queen and Lord Rosebury in the paddock before the start of the race.

Gracie Fields getting acquainted with "Skippy," the famous wire-haired fox terrier film star, who has travelled all the way from Hollywood to England to act with Miss Fields in her new film "Piccadilly Circus."

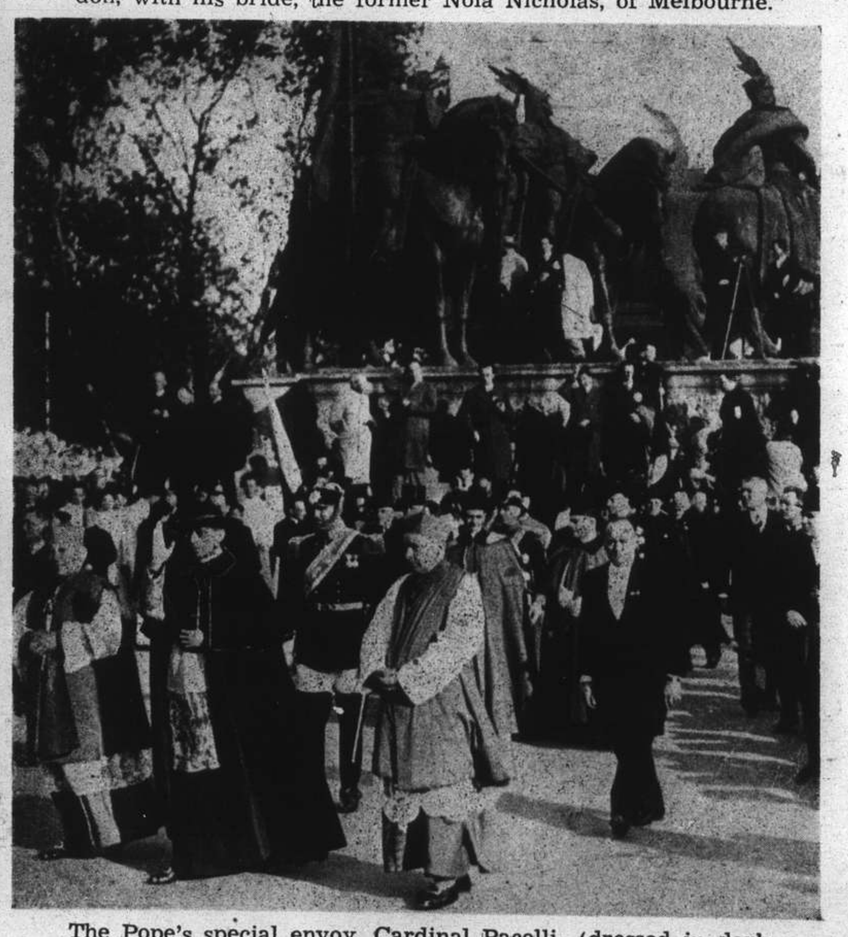
Miss Lily Pons's marriage to Andre Kostelanetz, orchestra leader, on June 2, surprised even her close friends. In the group are the bride and bridegroom, Geraldine Farrar (*left*) and Alma Clayburgh (*right*).

Nuns of the Home of the Compassion of Jesus digging in the basement in the hope of discovering buried treasure, the location of which was sensed by three "diviners."

Federal troops stand guard over hundreds of rifles taken from prisoners captured during the short-lived Cedillo uprising against the government of President Lazaro Cardenas of Mexico.

Rescue work being carried out during the extensive air raid precautions test which took place in England at the end of May.

Yehudi Menuhin, famour violinist, leaving Caxton Hall, London, with his bride, the former Nola Nicholas, of Melbourne.



The Pope's special envoy, Cardinal Pacelli, (dressed in dark robes) photographed as he arrived at the "Place of Heroes" to open the Eucharistic Congress at Budapest.

Seen Through the Eyes of the Camera

Mr. S. Inouye, an important member of the Engineering Society of Japan, has visited Shanghai on business bent.—*Josepho.*

Capt. Antonio N. Cosulich, of the Italian Economic Mission to Japan, is now on his way back to Italy.—*Skvirsky.*

Recent promotions in the Shanghai Municipal Police have included: (*above*) Superintendent R. Shellswell; (*upper right*) Superintendent V. Sharman; (*lower right*) Superintendent J. F. Lovell, D.C.M.—*Bann's.*

Ladies of the insurance world are (*upper*) Mrs. George B. Perry, and (*lower*) Mrs. I. M. Baxter, both of Messrs. Bruce S. Jenkins, Fed. Inc.—*Skvirsky.*

Mrs. K. Janson will be away from Shanghai for a short while on a business trip. —*Josepho.*

Barbara Jean is the two-year-old daughter of Boatswain T. L. Cleaver of the U.S.S. Augusta, and Mrs. Cleaver.—*William's.*

(*Left to right*) Doris Zinaida, Charles Bernhard, and Ruth Grace are the children of Mr. Louis F. Roth, manager of Messrs. C. Ingenohl's Cigar Store.

Miss Ethel Posniakoff passed her Baccalauréat at the French Municipal College on June 24 and was awarded the Gold Medal presented by the French Ministry of Foreign Affairs.—*Norman Lowe.*

Mrs. R. A. Taylor and her daughters Betty and Peggy. Mrs. Taylor is the principal of the Peter Pan School in Rue Bourgeat for boys and girls up to 15 years old. Children of all nationalities attend this school where languages are a special study.—*Hamilton.*

A farewell party organized by French Special Police Poste Central in honour of Mr. H. Clery, who resigned from his duties as Chief of the Sector and is leaving for France shortly, after having spent eight years in Shanghai with the French Municipal Council—*Mactavish.*

"JARDINES"

DROP YOUR CARES
FOR A BRIEF SPELL

- TSINGTAO – FROM $45
- WEIHAIWEI – FROM $55
- CHEFOO – FROM $60
- TIENTSIN – FROM $80
- HONGKONG – FROM $80

27 THE BUND TELEPHONE 15290

Seven Days with a Camera

"Our" triplets: this is the first published picture of the three who arrived to gladden the hearts of Mr. and Mrs. H. C. Timms on May 5. From left to right, they are Patrick, Lettia, and Allan. Their father, a Nottinghamshire man, is a member of the Shanghai Municipal Police, and their mother, the former Miss Marjorie Fraser, hails from Victoria, B.C.—*N.C.D.N. photograph.*

Mr. R. Jobez, Acting Commissioner of the French Municipal Police. Mr. Jobez was formerly in charge of the political and criminal investigation branches.—*Josepho.*

(*Above*) A garden party and sale of work was recently arranged by Mrs. M. Fischer, wife of the Consul-General for Germany, at her residence, 57 Columbia Road, in aid of the Maternity Hospital for Chinese Refugees. The amount realized was $1,301. The picture shows folk dances by girls of the Kaiser Wilhelm School. (*Lower right, left to right*) Mrs. Wolf, Mrs. Enssle, Mrs. Korff, Mrs. Fischer, Mrs. Virnich.—*Juras.*

Rotarians at lunch at the Park Hotel: (*upper, left to right*) Mrs. A. Harvey, Mr. P. C. Colman, Mr. U. S. Harkson (managing director of the Henningsen Produce Co.); (*lower, left to right*) Mr. K. S. Mackenzie (of the General Accident Fire & Life Assurance Corp., Ltd.), Mrs. R. Burnell, Mr. S. W. Wolfe (manager for Far East of the G. T. Fulford Co., Ltd.) Mr. E. F. Harris (manager of the Sun Life Assurance Co. of Canada).—*N.C.D.N. photographs.*

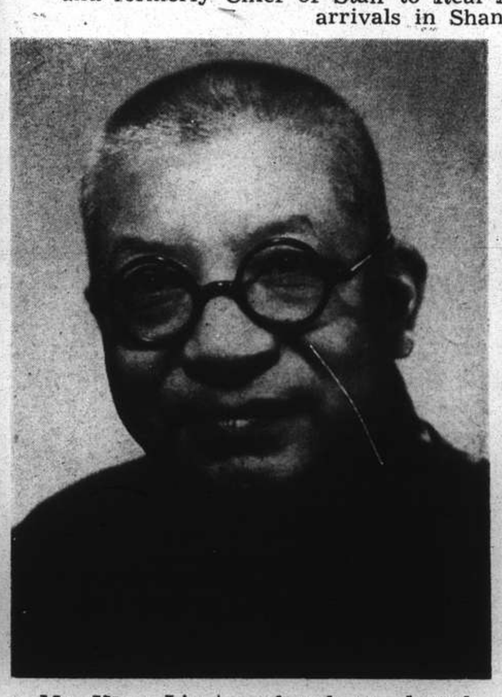
Dr. W. W. Yen, formerly Minister to the United States and later Ambassador to Moscow, addressed the students of East China colleges and universities assembled at the Grand Theatre recently.—*Bann's.*

Lord Li Ching-mai, youngest son of the great Marquis Li Hung-chang, was born in the vice-regal yamen at Tientsin in 1876 and died in his Shanghai residence, 441 Avenue Haig, last Monday. In 1905 he was Minister to Vienna, where his only son, Mr. Peter Li, was born. He retired from public life on the outbreak of the Revolution and abdication of the Emperor in 1911.

Mrs. O'Donnell and Miss O'Donnell, wife and daughter of Captain G. E. M. O'Donnell, R.N., now Naval Liaison Officer at the British Embassy Offices and formerly Chief of Staff to Rear-Admiral R. V. Holt. They are recent arrivals in Shanghai.—*Skvirsky.*

Mr. Chen Chieh, newly appointed Ambassador to Berlin, has been a Chinese Councillor to the Shanghai Municipal Council.—*Bann's.*

Mrs. J. Tate (the former Miss Edna Worby of Shanghai) has lately arrived from Hongkong with her husband and small son, Brian John.—*Skvirsky.*



Mr. Yuan Liu-teng has been elected Chairman of the Health Propaganda Summer Campaign Committee.—*Bann's.*

Miss Inga Sjostedt is leaving on July 10 by the Empress of Asia for Vancouver, where she will marry Mr. E. G. Poskitt, formerly of Shanghai.—*Bann's.*

British Hosts and French Guests at Race Club

N.C.D.N. Photographs

The cordial relations between Great Britain and France were emphasized on Thursday night at a cocktail party given by the United Services Association to the French ex-Servicemen's Association at the Shanghai Race Club. 400 people attended and the band of the Seaforth Highlanders played selections during the reception.

(*Above, left to right*) Mme J. Rignot, Mr. P. Crow and Mme Vitenson have charged their glasses.

(*Right-hand picture, left to right*) Mrs. Klatchko, Dr. Klatchko and Mr. Ch. Rayden.

Brig.-Gen. E. B. Macnaghten, C.M.G., D.S.O., welcomed the French guests in a brief speech.

Toasts to His Majesty the King and the President of the French Republic were drunk with acclamation.

(*Left to right*) Mr. J. Huxley, Mr. Aitchison, Mrs. A. Pullen, Mrs. Richter, Mrs. Aitchison.

Rosine is the daughter of M. Frederic Knobel, Counsellor of the French Embassy, and Mme Knobel.—*Skvirsky.*

Frederic Thomas William, aged five, is the son of Sub-Inspector W. Dow, of the S.M.P., and Mrs. Dow.—*Josepho.*

Mr. Arnold Zimmerman, son of Mr. W. I. Zimmerman of Shanghai, has graduated as a civil engineer from the University of California.

Portraits of Mr. and Mrs. Koeniger. Mr. Koeniger is the manager of the Ewo Brewery.—*Photographs by Bann's.*

Mrs. Dawson, wife of Mr. Owen L. Dawson of the U.S. Department of Agriculture, sailed by the Empress of Canada last Monday for Japan on holiday.—*Skvirsky.*

Mrs. Dietrich is the wife of Mr. K. Dietrich of Messrs. Fr. Reiber.—*Skvirsky.*

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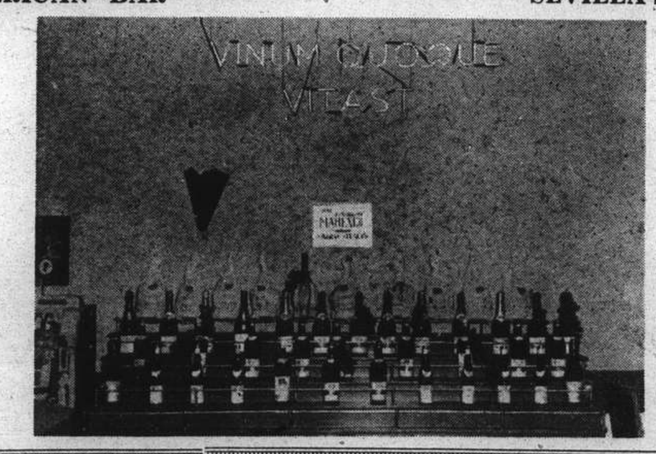
SEVILLA'S AMERICAN BAR

SEVILLA'S DINING ROOM

A small exhibit of the world-renowned wine.



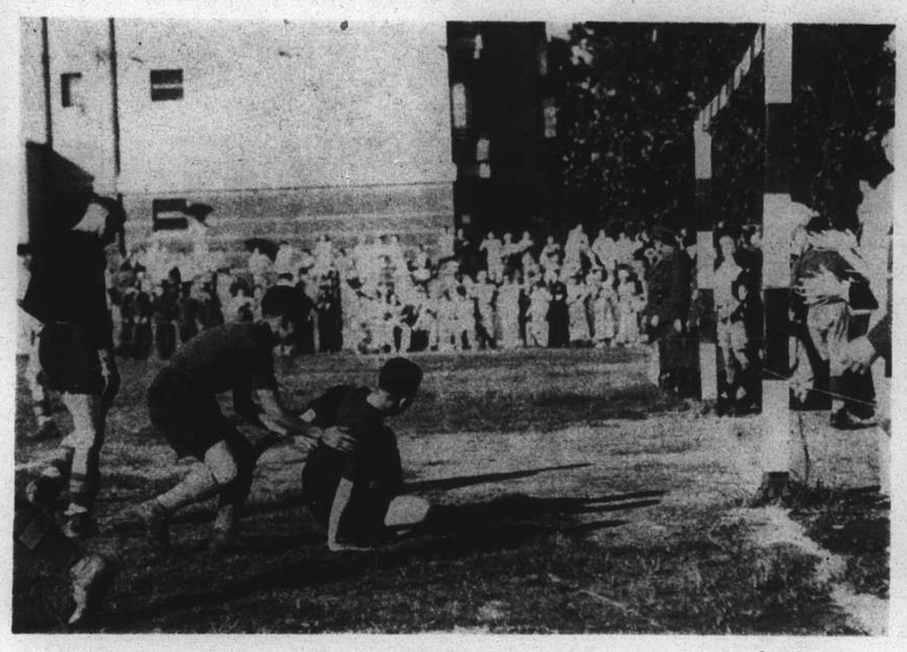
FIGLI DI MARENGO ANTONIO ALBA PIEMONTE

Charity Football Match

Photographs by N.C.D.N.

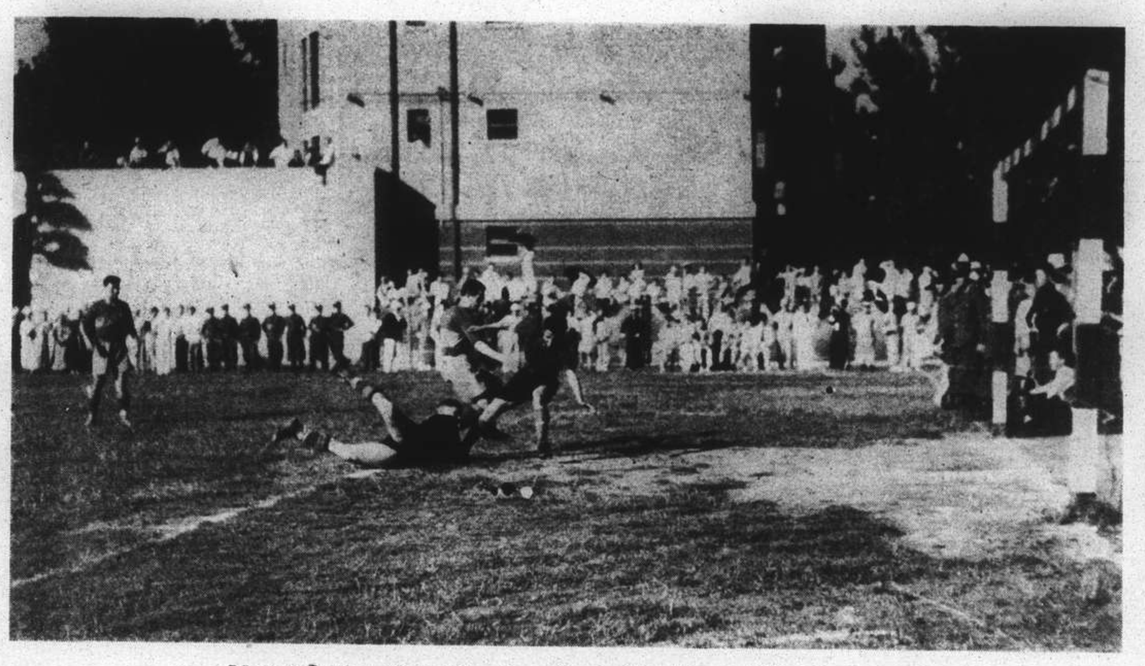
The First Battalion, Grenadiers of Savoy, were victors in last Sunday's charity football game against a Chinese team, the final score being 4-3. The game was played on the French Army's ground in Rue Lafayette and attracted a good crowd of spectators.

Col. Andreini and Lieut. Peroni were interested spectators.



Kia, of the Chinese team, on the ground just after he succeeded in netting the ball.

Perzibaldi all set for a shot at goal.

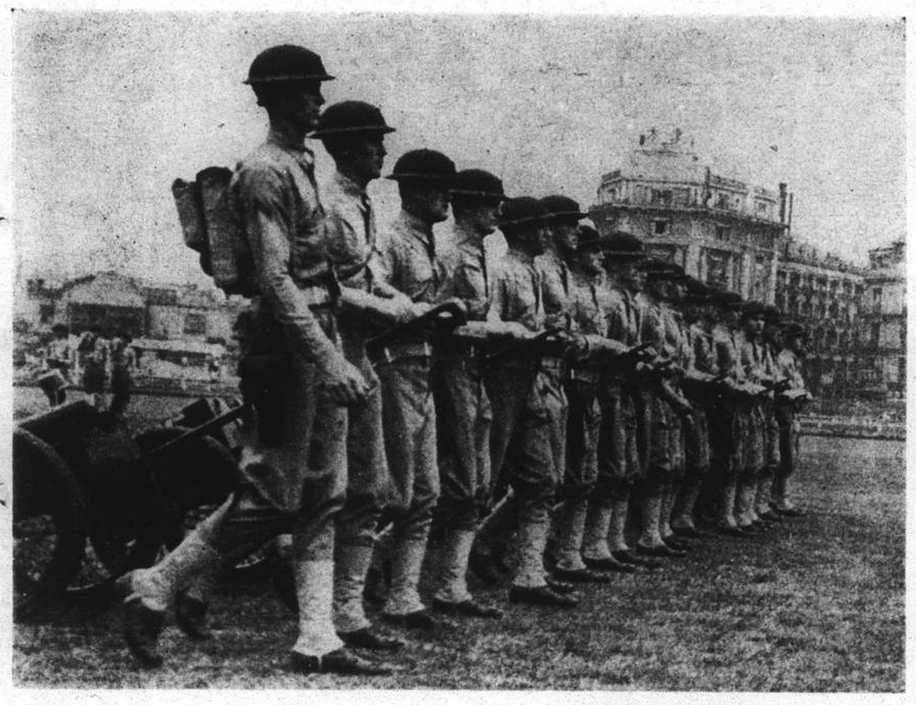


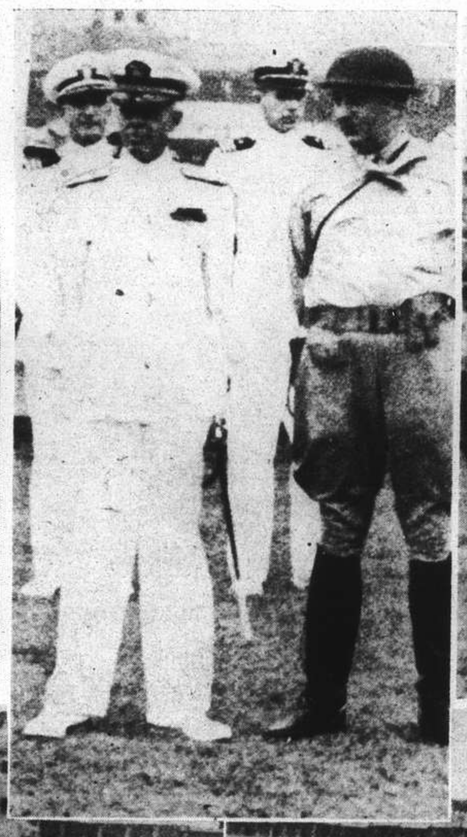
Marconi, the Grenadiers' goalie, pulls off a brilliant save.

The Grenadiers football team, with their team captain, Lieut. Meoli.

U.S. Marines Parade on Race Course, June 29

N.C.D.N. Photographs





One of the smartest and best-drilled body of men in this city are the U.S. Fourth Marines and at the special parade held on the Race Course on the morning of June 29 they fully upheld their reputation. Admiral H. E. Yarnell, Commander-in-Chief of the U.S. Asiatic Fleet inspected the parade, which was under the command of Colonel C. F. B. Price.

Waiting for the Green Light

VIGNETTES OF LIFE

By J. NORMAN LYND